

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

F. Bonds Payable, Continued

Guam Waterworks Authority (GWA):

Water and Wastewater System Revenue Bonds, Series 2005 (original issue of \$101,175,000, dated November 1, 2005), varying interest rates at 5% - 5.875% per annum, payable semiannually on January 1 and July 1, principal and mandatory sinking fund payments due in varying annual installments commencing with a payment of \$1,865,000 on July 1, 2008, and increasing to a final payment of \$6,810,000 on July 1, 2035. The bonds have been issued to finance capital improvements to GWA's water and wastewater systems, refinancing certain outstanding obligations, and financing new water meters. \$ 88,485,000

Water and Wastewater System Revenue Bonds, Series 2010 (original issue of \$118,825,000, dated November 9, 2010), varying interest rates at 4% - 5.625% per annum, payable semiannually on January 1 and July 1, principal and mandatory sinking fund payments due in varying annual installments commencing with a payment of \$1,055,000 on July 1, 2015, and increasing to a final payment of \$14,460,000 on July 1, 2040. The bonds have been issued to finance capital improvements to GWA's water and wastewater systems. 118,825,000
207,310,000

Less net unamortized discount on 2010 bonds (2,190,245)
Add net unamortized premium on 2005 bonds 2,663,341
\$ 207,783,096

All gross revenues of GWA, except PUC surcharge revenues, have been pledged to repay the 2005 and 2010 series bond principal and interest. The debt service for the 2005 and 2010 series bonds was \$14,220,694 or 19.5% of pledged gross revenues for the year ended September 30, 2013. A premium associated with the 2005 bond series is being amortized using the effective interest method over the lives of the bonds. The discount associated with the 2010 bond series has been deferred and is being amortized using the effective interest method over the lives of the bonds.

GWA fully paid a debt to Municipal Services Group, Inc. (MSG) with proceeds from the 2005 bond issuance. MSG indicated that it may make a claim against GWA in connection with the investment earnings on the Acquisition Fund for the Certificates of Participation 2005 Services relative to financing the purchase and installation of GWA's water meters. No provision has been recorded in the accompanying financial statements for a liability, if any, because an estimate of the amount or range of potential loss cannot be determined at this time.

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

F. Bonds Payable, Continued

Guam Waterworks Authority (GWA), Continued:

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,500,000	\$ 11,721,694	\$ 14,221,694
2015	3,690,000	11,584,194	15,274,194
2016	3,875,000	11,397,070	15,272,070
2017	4,065,000	11,207,794	15,272,794
2018	4,280,000	10,992,856	15,272,856
2019 - 2023	25,240,000	51,121,356	76,361,356
2024 - 2028	33,300,000	43,062,881	76,362,881
2029 - 2033	44,005,000	32,355,606	76,360,606
2034 - 2038	58,205,000	18,152,219	76,357,219
2039 - 2040	<u>28,150,000</u>	<u>2,396,813</u>	<u>30,546,813</u>
	<u>\$ 207,310,000</u>	<u>\$ 203,992,483</u>	<u>\$ 411,302,483</u>

Guam Housing Corporation (GHC):

Mortgage-Backed Revenue Bonds, Series 1998, (original issue of \$50,000,000, dated April 15, 1998), varying interest rates at 4.45% - 5.75% per annum, payable semiannually on March 1 and September 1, principal fund payments due in varying semiannual installments commencing with a payment of \$25,000 on March 1, 2002, and increasing to a final payment of \$194,201 on September 1, 2031. The bonds were issued for the purpose of providing money to engage in a home-financing program within the Territory of Guam.

\$ 4,565,000

The bonds are limited obligations of GHC payable from the revenues and other assets pledged for the payment thereof and are not a lien or charge upon the funds of GHC, except to the extent of the pledge and assignment set forth in the Indenture and in the bonds. The bonds do not constitute indebtedness or a loan of credit of GovGuam or the United States of America, within the meaning of the Organic Act of Guam or statutory provisions. Neither the faith and credit nor the taxing power of GovGuam is pledged to the payment of the principal of, or interest on the bonds. GHC has no taxing authority. The bonds are not debts, liabilities or obligations of GovGuam, and GovGuam is not liable for the payment should GHC default on the loan.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

F. Bonds Payable, Continued

Guam Housing Corporation (GHC), Continued:

The bonds maturing in September 2031 are not subject to optional redemption prior to maturity. The bonds maturing after September 2009 but before September 2021 are subject to redemption on any date on or after September 2009, at the option of GHC, in whole, or in part from such maturities as are determined by GHC, from any source of available monies, at the redemption prices set forth in the Indenture. The bonds maturing in September 2018, in September 2021, and in September 2031 are subject to mandatory redemption prior to maturity at a redemption price equal to 100% of the principal amount redeemed, plus accrued interest thereon to the date fixed for redemption, from sinking fund installments which are required to be made in amounts sufficient to redeem on dates set forth in the Indenture.

The bond indenture contains certain restrictive covenants, including restrictions on the use of bond funds. Management of GHC is of the opinion that GHC was in compliance with all significant covenants as of September 30, 2013.

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 152,204	\$ 249,891	\$ 402,095
2015	160,985	241,622	402,607
2016	169,180	232,900	402,080
2017	179,132	223,724	402,856
2018	188,499	214,015	402,514
2019 - 2023	1,161,143	908,342	2,069,485
2024 - 2028	1,457,091	555,552	2,012,643
2029 - 2031	<u>1,096,766</u>	<u>112,876</u>	<u>1,209,642</u>
	\$ <u>4,565,000</u>	\$ <u>2,738,922</u>	\$ <u>7,303,922</u>

Guam Economic Development Authority (GEDA):

Tobacco Settlement Asset-Backed Bonds, 2007 Series A, (original issue of \$33,575,000, dated December 1, 2007), varying interest rates at 5.25% - 5.625% per annum, payable semiannually on June 1 and December 1, principal fund payments due in varying annual installments commencing with a payment of \$1,025,000 on June 1, 2008 and increasing to a final payment of \$3,840,000 on June 1, 2026. These bonds are payable solely from and secured by certain revenues. The bonds have been issued for deposit to trust and endowment funds.

\$ 28,285,000

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

F. Bonds Payable, Continued

Guam Economic Development Authority (GEDA), Continued:

Tobacco Settlement Asset-Backed Capital Appreciation Bonds, 2007 Series B (original issue of \$3,407,077, dated December 1, 2007), interest not paid currently, compounded annually on December 1 based on an imputed interest rate of 7.25% to become part of the accreted value until the maturity date or earlier redemptions. The bonds bear an original maturity value of \$115,455,000 with final maturity date of June 1, 2057. The projected turbo redemption date, however, is June 1, 2034 with a total projected principal amount of \$16,773,618. Under the Turbo Redemption assumption, principal fund payments are due in varying annual installments commencing with a payment of \$917,533 on June 1, 2008 and increasing to a final payment of \$1,191,488 on June 1, 2034. The Series B bonds are also secured by certain revenues with the Series A bonds; however, they are subordinate to the 2007 Series A Bonds.

16,773,618

45,058,618

Less discount on Series B capital appreciation turbo term bonds (11,653,189)

Less discount on issuance (1,098,438)

\$ 32,306,991

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,980,000	\$ 1,331,879	\$ 3,311,879
2015	2,120,000	1,227,732	3,347,732
2016	2,270,000	1,116,300	3,386,300
2017	2,430,000	996,380	3,426,380
2018	1,115,000	885,891	2,000,891
2019 - 2023	6,935,000	3,299,625	10,234,625
2024 - 2028	10,299,588	975,867	11,275,455
2029 - 2033	14,543,733	-	14,543,733
2034	<u>3,365,297</u>	<u>-</u>	<u>3,365,297</u>
	\$ <u>45,058,618</u>	\$ <u>9,833,674</u>	\$ <u>54,892,292</u>

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

F. Bonds Payable, Continued

Guam Economic Development Authority (GEDA), Continued:

On December 13, 2007, GEDA issued \$36,982,077 in Series 2007 Tobacco Settlement Asset-Backed Bonds to retire \$25,040,000 of outstanding 2001 Series bonds. The net proceeds were \$35,478,149 (\$34,359,109 of original principal after issuance discount, underwriter discount and other issuance costs, plus an additional \$794,040 from the Series 2001 funds plus \$325,000 received in connection with the termination of Series 2001 Reserve Fund Agreement). Of this amount, \$8,345,278 was transferred into a custodial account for the benefit of GovGuam. The remaining \$27,132,871 was deposited in an irrevocable trust with an escrow agent to provide for the future service of the Series 2001 bonds through May 15, 2016. Except to the extent of any excess which is to be released upon termination (when all transfers and payments required are satisfied), GEDA has no interest in the funds or investments held in the escrow fund and as a result, the Series 2001 bonds indenture was satisfied and discharged. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements of GEDA. This advance refunding resulted in a loss of \$2,628,344, representing the difference between the reacquisition price and the carrying amount of the Series 2001 bonds. The loss has been deferred and amortized over the remaining life the Series 2001 bonds and is reflected as a reduction of the bond liability. As of September 30, 2013, bonds outstanding from the abovementioned advance refunding activities in the amount of \$22,400,000 are considered defeased.

The defeasance of the bonds resulted in an increase of GEDA's aggregate debt service payment by approximately \$36 million over the life of the new Series 2007 bonds and an economic loss (difference between the present value of the old and new debt service payments, plus the \$8,345,278 received) of approximately \$455,000.

The difference between the original principal amount of \$3,407,077 and the projected turbo redemption projected value of \$16,773,618 represents discount that is amortizing into interest expense using the straight-line method through the weighted average life of the Series 2007 bonds.

The Series 2007 bonds are subject to mandatory redemption, in whole or in part, prior to their stated maturity dates from amounts on deposit in the Turbo Redemption Account on each Distribution Date (December 1). Due to a number of factors, including actual shipment of cigarettes in the United States and the actual level of payments received by the settling states under the Master Settlement Agreement, the amount available to pay the principal or accredited value of and interest on the Series 2007 bonds may fluctuate from year to year.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable

As of September 30, 2013, the discretely presented component units had the following notes payable outstanding:

Antonio B. Won Pat International Airport Authority (AWPIAA):

Note payable to a bank in the amount of \$11,900,000, dated June 27, 2012, interest at 3.75% per annum, due initially in monthly installments of interest commencing July 27, 2012, with monthly installments of principal and interest of \$309,687 commencing February 27, 2014 through July 27, 2017. Loan proceeds are to be used to finance energy efficient upgrades. The loan is subject to U.S. Department of Agriculture's (USDA) written commitment to the bank to guaranty no less than 90% of the loan to AWPIAA.

\$ 10,928,228

The loan is secured by a Security Agreement and UCC-1 Financing Statement which identify sums in the Subordinate Securities Fund and Capital Improvement Fund as collateral for the loan. Both funds are allocated revenues pursuant to Section 5.02 of the 2003 General Revenue Bond indenture. Obligations of AWPIAA payable from the aforementioned funds are subordinate to the pledge and lien of airport revenues to secure payment of AWPIAA's bonds. The disbursement of the loan proceeds will be based on the payment of the costs incurred for work actually done and improvements actually installed by a contractor under a performance contract. The loan will be disbursed directly to the contractor by the bank upon AWPIAA's approval. The undisbursed portion of the loan at September 30, 2013 totals \$971,772. The \$11,900,000 is subject to USDA's Loan Note Guarantee; however, the Loan Note Guarantee for the loan will not be executed by USDA until all construction has been completed, equipment has been purchased and installed, and the facility is certified as operational by the appropriate official, which is expected to be in January 2014. At September 30, 2013, the loan was supported by a Conditional Commitment for Guarantee by the USDA.

On January 25, 2014, the loan agreement and note were amended by Commercial Loan Modification Agreement, wherein the amended interest rate is at 5.75% per annum until the amended note is paid in full. Beginning on February 24, 2014 and continuing thereafter during the term of the amended loan agreement, principal and interest shall be paid in monthly installments of \$130,625 over a period of 10 years from January 25, 2014 to January 24, 2024. The amended maturity date of the loan is January 24, 2024.

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,263,500	\$ 352,096	\$ 2,615,596
2015	3,450,000	266,244	3,716,244
2016	3,582,000	134,244	3,716,244
2017	<u>1,632,728</u>	<u>53,212</u>	<u>1,685,940</u>
	\$ <u>10,928,228</u>	\$ <u>805,796</u>	\$ <u>11,734,024</u>

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable, Continued

Guam Memorial Hospital Authority (GMHA):

Note payable to a local bank in the amount of \$12,000,000, dated February 11, 2011, variable interest at 1% over bank's reference rate subject to a minimum rate of 6.5% per annum and a maximum rate of 9.5% per annum, due in monthly installments of principal and interest of \$104,634 through January 2018. The loan is collateralized by a pledge of GMHA revenues and guaranteed by GovGuam and the full faith and credit of GovGuam.

\$ 10,753,125

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 814,082	\$ 611,953	\$ 1,426,035
2015	852,919	501,381	1,354,300
2016	897,504	456,798	1,354,302
2017	947,061	407,241	1,354,302
2018	997,995	356,306	1,354,301
2019 - 2023	5,854,378	917,125	6,771,503
2024	<u>389,186</u>	<u>3,879</u>	<u>393,065</u>
	\$ <u>10,753,125</u>	\$ <u>3,254,683</u>	\$ <u>14,007,808</u>

Guam Waterworks Authority (GWA):

Note payable to a local bank in the amount of \$25,000,000, dated June 15, 2010, interest at 7.75% per annum, due in monthly installments of principal and interest of \$300,027 through June 15, 2015.

\$ 18,838,786

Note payable to a local bank in the amount of \$5,000,000, dated June 15, 2010, interest at 7.75% per annum, due in monthly installments of principal and interest of \$100,785 through June 2015.

1,968,184

\$ 20,806,970

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,272,319	\$ 1,537,418	\$ 4,809,737
2015	<u>17,534,651</u>	<u>953,854</u>	<u>18,488,505</u>
	\$ <u>20,806,970</u>	\$ <u>2,491,272</u>	\$ <u>23,298,242</u>

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable, Continued

Port Authority of Guam (PAG):

Note payable to a bank in the amount of \$3,500,000, dated October 22, 2010, variable interest at 3% above the Federal Home Loan Bank of Seattle's 15-Year amortizing fixed advanced rate at the time of funding (6.18% per annum at September 30, 2013), due in monthly installments of principal and interest of \$30,049 through October 2025. Loan proceeds were used to reimburse PAG for the acquisition of four top lifters and ten terminal yard contractors. The loan is secured by the abovementioned equipment.

\$ 3,037,138

Note payable to a local bank in the amount of \$12,000,000, dated December 20, 2012, variable interest at 3.42% above the Federal Home Loan Bank of Seattle's 15-Year amortizing fixed advanced rate at the time of funding (5.94% per annum at September 30, 2013), due in monthly installments of principal and interest of \$101,427 through December 2027. Loan proceeds were used to purchase used gantry cranes.

11,621,846

\$ 14,658,984

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending</u> <u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 708,048	\$ 870,561	\$ 1,578,609
2015	751,380	826,327	1,577,707
2016	796,174	781,533	1,577,707
2017	848,188	729,519	1,577,707
2018	901,248	676,459	1,577,707
2019 - 2023	5,424,001	2,464,532	7,888,533
2024 - 2028	<u>5,229,945</u>	<u>664,437</u>	<u>5,894,382</u>
	<u>\$ 14,658,984</u>	<u>\$ 7,013,368</u>	<u>\$ 21,672,352</u>

University of Guam (UOG):

Rural development loan payable to the U.S. Department of Agriculture, dated June 12, 2003, in the amount of \$13,500,000, interest at 4.5% per annum, principal and interest payable commencing on July 12, 2006 in monthly installments of \$62,505, and collateralized by real property. Loan proceeds were used to finance the construction of the Business and Public Administration (BPA) Building. The loan is secured by equipment, furniture and fixtures located at the BPA Building.

\$ 12,253,463

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable, Continued

University of Guam (UOG), Continued:

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 201,557	\$ 548,503	\$ 750,060
2015	210,817	539,243	750,060
2016	220,501	529,559	750,060
2017	230,631	519,429	750,060
2018	241,226	508,834	750,060
2019 - 2023	1,382,900	2,367,400	3,750,300
2024 - 2028	1,731,108	2,019,192	3,750,300
2029 - 2033	2,166,994	1,583,306	3,750,300
2034 - 2038	2,712,634	1,037,666	3,750,300
2039 - 2043	<u>3,155,095</u>	<u>355,621</u>	<u>3,510,716</u>
	\$ <u>12,253,463</u>	\$ <u>10,008,753</u>	\$ <u>22,262,216</u>

Guam Community College (GCC):

Due to U.S. Department of Agriculture in the original amount of \$2,250,000, with interest at 4.125% per annum, payable in monthly installments of \$9,698, including interest, through March 10, 2051, collateralized by a pledge of all gross revenues and fixed assets of GCC. \$ 2,213,617

Due to U.S. Department of Agriculture in the original amount of \$3,500,000, with interest at 3.125% per annum, payable in monthly installments of \$12,810, including interest, through March 6, 2053, collateralized by a pledge of all gross revenues. 3,386,324

\$ 5,599,941

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable, Continued

Guam Community College (GCC), Continued:

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 70,785	\$ 198,588	\$ 269,373
2015	73,293	196,080	269,373
2016	75,891	193,481	269,372
2017	78,584	190,789	269,373
2018	81,371	187,999	269,370
2019 - 2023	452,388	894,474	1,346,862
2024 - 2028	538,985	807,877	1,346,862
2029 - 2033	642,538	704,324	1,346,862
2034 - 2038	766,444	580,418	1,346,862
2039 - 2043	914,794	432,068	1,346,862
2044 - 2048	1,092,522	254,340	1,346,862
2049 - 2053	<u>812,346</u>	<u>59,487</u>	<u>871,833</u>
	\$ <u>5,599,941</u>	\$ <u>4,699,925</u>	\$ <u>10,299,866</u>

On March 6, 2013, GCC entered into a \$3,500,000 Community Facilities Loan agreement with the U.S. Department of Agriculture for the purpose of funding facility construction purposes. The loan is guaranteed by a pledge of all gross revenues of GCC.

Guam Housing and Urban Renewal Authority:

Due to Farmers' Home Administration, with interest at 6% per annum, payable in equal monthly installments of \$10,540, including interest, through April 2030, collateralized by restricted cash balances. \$ 1,260,729

Annual debt service requirements to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 52,000	\$ 74,480	\$ 126,480
2015	55,400	71,080	126,480
2016	58,800	67,680	126,480
2017	62,400	64,080	126,480
2018	66,300	60,180	126,480
2019 - 2023	398,100	234,300	632,400
2024 - 2028	537,200	95,200	632,400
2029 - 2030	<u>30,529</u>	<u>103</u>	<u>30,632</u>
	\$ <u>1,260,729</u>	\$ <u>667,103</u>	\$ <u>1,927,832</u>

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

G. Notes Payable, Continued

Guam Housing Corporation (GHC):

Note payable to Federal Home Loan Bank of Seattle, interest rate at 6.49% per annum, interest payable monthly, principal due in August 2014, collateralized by proceeds received from mortgage loans made by GHC. As of September 30, 2013, GHC has pledged as security for this loan approximately \$7,244,507 of related outstanding mortgage loans.

\$ 1,119,469

H. Capital Lease Financing

Guam Power Authority (GPA):

In September 1996, GPA entered into agreements to purchase electricity produced by generating plants constructed or refurbished and operated by three companies. The agreements have twenty year terms. At the end of the agreements, ownership of the plants and the plant improvements reverts to GPA. Under each of the agreements, GPA pays capacity and operation and maintenance costs.

GPA has determined that the agreements to purchase electricity were in fact capital leases to acquire the plants and that the capacity payments made under the agreements were lease payments.

The assets acquired through capital leases are as follows:

Asset:	
Buildings	\$ 171,382,727
Less accumulated depreciation	<u>(70,444,342)</u>
	\$ <u>100,938,385</u>

The leases have effective interest rates ranging from 8.6% to 14.2%. Future capacity payments under these agreements are as follows:

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

H. Capital Lease Financing, Continued

Guam Power Authority (GPA), Continued:

Future minimum lease obligations to maturity for principal and interest are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 13,064,559	\$ 10,019,745	\$ 23,084,304
2015	14,765,627	8,318,677	23,084,304
2016	16,692,419	6,391,885	23,084,304
2017	18,875,274	4,209,030	23,084,304
2018	16,950,423	1,934,418	18,884,841
2019	<u>5,919,936</u>	<u>159,673</u>	<u>6,079,609</u>
	\$ <u>86,268,238</u>	\$ <u>31,033,428</u>	\$ <u>117,301,666</u>

I. Changes in Long-Term Liabilities

During the year ended September 30, 2013, the following changes occurred in liabilities reported as part of the discretely presented component units' long-term liabilities in the statement of net position:

Bonds Payable:

	<u>Balance October 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2013</u>	<u>Due Within One Year</u>
Bonds payable:					
Antonio B. Won Pat International Airport Authority	\$ 155,005,000	\$ 247,335,000	\$(155,005,000)	\$ 247,335,000	\$ -
Guam Power Authority	566,805,000	340,620,000	(376,865,000)	530,560,000	12,310,000
Guam Waterworks Authority	209,690,000	-	(2,380,000)	207,310,000	2,500,000
Guam Housing Corporation	4,710,000	-	(145,000)	4,565,000	152,204
Guam Economic Development Authority	<u>45,828,618</u>	<u>-</u>	<u>(770,000)</u>	<u>45,058,618</u>	<u>1,980,000</u>
	982,038,618	587,955,000	(535,165,000)	1,034,828,618	16,942,204
Unamortized amounts:					
Bond premiums:					
Antonio B. Won Pat International Airport Authority	3,551,487	2,891,161	(3,551,487)	2,891,161	-
Guam Power Authority	-	33,518,707	(2,021,320)	31,497,387	-
Guam Waterworks Authority	2,783,492	-	(120,151)	2,663,341	-
Bond discounts:					
Guam Power Authority	(7,504,431)	-	3,694,785	(3,809,646)	-
Guam Waterworks Authority	(2,270,926)	-	80,681	(2,190,245)	-
Guam Economic Development Authority	<u>(13,223,953)</u>	<u>-</u>	<u>472,326</u>	<u>(12,751,627)</u>	<u>-</u>
	\$ <u>965,374,287</u>	\$ <u>624,364,868</u>	\$ <u>(536,610,166)</u>	\$ <u>1,053,128,989</u>	\$ <u>16,942,204</u>

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

I. Changes in Long-Term Liabilities, Continued

Notes Payable:

	Balance October 1, 2012	Additions	Reductions	Balance September 30, 2013	Due Within One Year
Notes payable:					
Antonio B. Won Pat International Airport Authority	\$ 5,594,897	\$ 5,333,331	\$ -	\$ 10,928,228	\$ 2,263,500
Guam Memorial Hospital Authority	11,292,872	-	(539,747)	10,753,125	814,082
Guam Waterworks Authority	23,925,764	-	(3,118,794)	20,806,970	3,272,319
Port Authority of Guam	3,201,009	12,000,000	(542,025)	14,658,984	708,048
University of Guam	12,396,023	-	(142,560)	12,253,463	201,557
Guam Community College	2,494,813	3,500,000	(394,872)	5,599,941	70,785
Guam Housing and Urban Renewal Authority	1,310,139	-	(49,410)	1,260,729	52,000
Guam Housing Corporation	2,267,289	-	(1,147,820)	2,267,289	-
	<u>\$ 62,482,806</u>	<u>\$ 20,833,331</u>	<u>\$ (5,935,228)</u>	<u>\$ 78,528,729</u>	<u>\$ 7,382,291</u>

Other Long-term Liabilities:

	Balance October 1, 2012	Additions	Reductions	Balance September 30, 2013	Due Within One Year
Compensated absences	\$ 13,557,141	\$ 8,864,653	\$ (8,397,234)	\$ 14,024,560	\$ 7,405,826
Capital lease obligations	97,830,265	-	(11,562,027)	86,268,238	13,064,559
DCRS sick leave	11,139,910	3,626,261	(2,109,212)	12,656,959	-
Other noncurrent liabilities	3,842,249	2,143,327	(2,205,227)	3,780,349	-
	<u>\$ 126,369,565</u>	<u>\$ 14,634,241</u>	<u>\$ (24,273,700)</u>	<u>\$ 116,730,106</u>	<u>\$ 20,470,385</u>

J. Commitments and Contingencies

Guam Economic Development Authority (GEDA) Tobacco Settlement Reserve Fund

In connection with the Series 2007 Tobacco Settlement Bonds, GEDA entered into a Reserve Fund Agreement (the "Agreement") with Lehman Brothers Special Financing, Inc. ("LBSF"), which requires LBSF to cause Lehman Brothers, Inc., as qualified dealer, to deliver securities that mature on or before the next interest payment date, at a price designed to produce a rate of return of at least 4.365%. The contractual termination date for the Reserve Fund Agreement is June 1, 2047. LBSF's obligation under the Agreement was guaranteed by Lehman Brothers Holdings Inc. ("LBHI"). On September 15, 2008, LBSF and LBHI filed for Chapter 11 bankruptcy protection, LBSF failed to deliver new Qualified Securities under the Agreement on the next scheduled delivery date of December 1, 2008, and, as a result, Co-Trustee U.S. Bank National Association declared an event of default under the Agreement and invested the amount on deposit in the Reserve Fund in short-term securities as required under the Agreement.

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Guam Economic Development Authority (GEDA) Tobacco Settlement Reserve Fund, Continued

On September 22, 2009, GEDA filed claims with the United States Bankruptcy Court against LBSF and LBHI, each for approximately \$1,800,000, as the estimated replacement market value of the Reserve Fund Agreement. Such replacement value represents the present value of the difference between the guaranteed rate and the market interest rate over the remaining term of the Agreement, i.e. through June 1, 2047. If the termination claim is not favorably resolved, GEDA's earnings from the investment of the Reserve Fund could be lower than originally expected, but no loss of principal has occurred or would occur. These events are not expected to have an adverse impact on the timely repayment of the Series 2007 Tobacco Settlement Bonds.

Performance Management Contracts (PMCs)

Guam Power Authority (GPA) has entered into two new PMCs with two companies for the operation and maintenance of Cabras 1 and 2 and Cabras 3 and 4 generators, which became effective on October 1, 2010 and July 1, 2010, respectively. These PMCs are for a period of five years with an option to extend for another five-year term. The future minimum annual management fee payments for commitments under these contracts are \$2,734,117 for fiscal year 2014 and \$2,526,743 for fiscal year 2015.

On December 5, 2006, Guam Waterworks Authority entered into a three year PMC with a company for the operation and maintenance of its Wastewater Treatment Plants, Collection System, and Lift Stations, which were extended to mature on December 31, 2013. The future minimum annual management fee payments for commitments under these contracts are \$286,557 for fiscal year 2014.

Lease Obligations as Lessor

In November 2002, the DFS Group L.P. (DFS) was selected as the primary concessionaire and was awarded a ten year concession agreement by Antonio B. Won Pat International Airport Authority (AWPIAA) commencing on January 1, 2003 and terminating on December 31, 2012. On March 17, 2006, AWPIAA entered into a concession agreement for additional space for a five year term which expired in 2011, but the concession continues on a month-to-month basis until a new agreement is finalized. The concession agreement expired on July 2013 and was not renewed. Effective fiscal year 2011, DFS entered into another concession agreement with AWPIAA for a separate additional store space for a five year term. The concession agreements provide for a minimum annual guarantee rent as well as percentage rent on gross revenues exceeding certain levels. The future minimum lease receipts for the aforementioned concession agreements are \$250,000 for fiscal year 2014.

In March 2013, Lotte Duty Free Guam, LLC (Lotte) was selected as the primary concessionaire for the airport terminal for a ten year term commencing July 1, 2013 and terminating on June 30, 2023. The concession agreements provide for a minimum annual guarantee rent as well as percentage rent on gross revenues exceeding certain levels.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Lease Obligations as Lessor, Continued

The future minimum lease receipts for the aforementioned concession agreements are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 15,400,000
2015	15,400,000
2016	15,400,000
2017	15,400,000
2018	15,400,000
Thereafter	<u>74,433,333</u>
	<u>\$ 151,433,333</u>

On May 30, 2013, DFS filed a notice of appeal of AWPIAA's denial of DFS's first protest with the Office of Public Accountability (OPA). On December 26, 2013, the OPA issued an order that it is precluded from proceeding with DFS's appeal at this time. On May 30, 2013, DFS also filed a civil action seeking judicial review of AWPIAA's denial of the first DFS protest. On July 19, 2013, the Court issued a Decision and Order dismissing the action for lack of subject matter jurisdiction. AWPIAA filed a motion for monetary sanctions against DFS and its attorneys for alleged filing of a frivolous action in the Superior Court. Additionally, AWPIAA requested that the Court reconsider its decision to withdraw statements made by the Court that it exceeded its jurisdiction and were inconsistent with its holdings. The Superior Court denied AWPIAA's motions for sanctions and denied its motion for reconsideration. AWPIAA has appealed these decisions and the matter is currently pending before the Supreme Court of Guam.

AWPIAA has lease agreements with scheduled air carriers, various other concessionaires and airport users. The agreements provide the lessees with the use of AWPIAA's system facilities, equipment and services. The signatory airline operating agreement and terminal building leases expire on September 30, 2016. Other ground lease agreements will expire ranging from September 2015 through September 2035. The lease agreements with six rent-a-car companies will expire in June 2016.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Lease Obligations as Lessor, Continued

The future minimum rental receipts for the aforementioned noncancellable operating leases (excluding the DFS and Lotte leases) are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 6,828,000
2015	6,598,000
2016	6,154,000
2017	1,352,000
2018	1,352,000
Thereafter	<u>8,792,000</u>
	<u>\$ 31,076,000</u>

Port Authority of Guam (PAG), in cooperation with the Guam Economic Development Authority, leases space to tenants under noncancellable operating leases, with options to renew, providing for future minimum rentals.

The future minimum rental receipts for the aforementioned noncancellable operating leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 1,182,416
2015	1,182,416
2016	1,182,416
2017	1,182,416
2018	1,182,416
Thereafter	<u>4,512,410</u>
	<u>\$ 10,424,490</u>

PAG also leases equipment and space to tenants on a month to month basis.

Lease Obligations as Lessee

On December 31, 2002, Guam Power Authority (GPA) entered into a lease agreement for its office building for an initial term of two years with a monthly rental of \$25,000. On January 1, 2010, GPA renewed the lease agreement for an additional term of three years with a monthly rental of \$45,000. On January 1, 2013, GPA renewed the lease agreement for an additional term of two years with a monthly rental of \$45,110.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Lease Obligations as Lessee, Continued

GPA also leases fuel storage tanks for a monthly fee of \$100,000 beginning September 1998, increasing to \$107,500 in March 2003. The initial term of the lease is for a period of 10 years with an option to renew for an additional 5-year period, expiring on September 2013, at an increased monthly lease fee of \$115,650. On February 8, 2008, GPA renewed the agreement for an additional five year term from March 1, 2008 through February 28, 2013 and month-to-month thereafter.

GPA entered into a commercial space lease beginning July 1, 2010, with monthly rentals of \$4,495. The lease has an option to renew for an additional term of five years.

The future minimum lease payments for the aforementioned leases are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 2,074,250
2015	1,711,485
2016	1,594,682
2017	1,656,018
2018	1,576,545
2019 - 2023	<u>250,149</u>
	<u>\$ 8,863,129</u>

In January 2012, Guam Waterworks Authority (GWA) entered into a commercial space lease for a period of three years with monthly rentals of \$13,655. The future minimum lease payments for the aforementioned leases are \$163,860 for fiscal year 2014 and \$47,792 for fiscal year 2015.

In January 2012, Guam Housing and Urban Rural Authority (GHURA) entered into a lease agreement for office space for an initial term of two years with a monthly rental of \$6,825. The future minimum lease payments for the aforementioned lease are \$81,896 for fiscal year 2014 and \$27,299 for fiscal year 2015.

In February 2003, Guam Housing Corporation (GHC) entered into a Memorandum of Understanding (MOU) with Guam Economic Development Authority (GEDA) to provide support services to GHC. Such services were for network and computer administration for a fee of \$21,696 per annum. GHC also sub-leases office space from GEDA under its operating lease, which expires February 28, 2014. The future minimum lease payments for the aforementioned lease are \$49,000 for fiscal year 2014.

On January 1, 2007, Guam Educational Telecommunications Corporation (GETC) entered into a twenty-one year lease agreement with the Chamorro Land Trust Commission (CLTC) for an antennae site with transmitter building facilities. The terms of the lease require monthly lease payments of \$850.

GOVERNMENT OF GUAM

Notes to Financial Statements
September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Lease Obligations as Lessee, Continued

The future minimum lease payments for the aforementioned lease are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 10,200
2015	10,200
2016	10,200
2017	10,200
2018	10,200
2019 - 2023	51,000
2024 - 2028	<u>51,000</u>
	\$ <u>153,000</u>

Renewable Energy Contracts

Guam Power Authority (GPA) has entered into three agreements to purchase renewable energy and associated renewable energy credits. The planned commercial operation dates are June 2014, August 2014 and March 2015. During each of the contract years starting from the commercial operation date, GPA is committed to purchase approximately 35,000 to 40,000 megawatt hours of annual renewable energy. At September 30, 2013, the minimum future renewable energy purchases are as follows:

The future minimum renewable energy purchases for the aforementioned contracts are as follows:

<u>Year Ending</u> <u>September 30,</u>	
2014	\$ 2,913,270
2015	14,438,490
2016	15,444,504
2017	15,523,617
2018	15,588,509
2019 - 2023	79,110,242
2024 - 2028	81,094,540
2029 - 2033	79,371,102
2034 - 2038	50,016,726
2039	<u>6,860,619</u>
	\$ <u>360,361,619</u>

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

Fuel Bulk Storage Facility Contract

In June 2012, the Guam Power Authority entered into an agreement for the management and operations of its fuel bulk storage facility. The agreement is for three years ending May 31, 2015 with an option to extend the contract for two additional one-year terms with the mutual consent of both parties. Mandatory management fees are \$675,273 annually with optional additional insurance fees of \$41,750 annually. The future minimum management fees are \$675,273 for fiscal year 2014 and \$450,182 for fiscal year 2015.

Fuel Purchase Contract

In August 2013, the Guam Power Authority (GPA) entered into a fuel purchase contract agreement to purchase residual fuel oil and low sulfur fuel oil from a fuel supplier. The agreement is for two years with an option to extend for three additional one year terms, renewable annually.

In 2009, GPA entered into two contracts to purchase diesel fuel oil. The agreements are for three years ending September 30, 2013 with an option to extend for two additional one-year terms, renewable annually. In February, 2012, GPA renewed the two contracts through November 30, 2014.

U.S. Environmental Protection Agency (EPA)

On May 24, 1986, the administrator of the U.S. EPA granted a continuing exemption to the Guam Power Authority (GPA) under the provisions of Section 325(b) of the Clean Air Act, as amended. The terms of the exemption require monitoring by EPA, certain commitments by GPA regarding fuel stocks, and reporting and delineation of grounds for revocation of the exemption. In February 2011, EPA finalized four sets of emission standards, known as Maximum Available Control Technology (MACT) standards. Compliance under the diesel MACT is due May 3, 2013. Non-compliance under the diesel MACT could result in penalty fees of \$37,000 per unit per day. GPA has requested an exemption, extension and waiver for its generation units, until a decision is made on switching to liquefied natural gas.

Environmental Monitoring

In September 2000, the U.S. Navy (the Navy) transferred 1,417 acres of property to the Antonio B. Won Pat International Airport Authority (AWPIAA) and GovGuam at no cost. In November 2000, the Navy paid AWPIAA \$10,000,000. In exchange for the payment, AWPIAA and GovGuam agreed to complete certain environmental monitoring work on the property even if the cost of the environmental monitoring work exceeds the \$10,000,000 remitted by the Navy. AWPIAA management has been made aware that in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, a decision document or record of decision requires execution by AWPIAA, the Navy and the Guam Environmental Protection Agency with the concurrence of the U.S. EPA. The decision document would codify the responsibilities of each party for the environmental response actions.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Environmental Monitoring, Continued

Although the primary remediation action is natural attenuation, AWPIAA has substantially completed a water system project as part of the military airport program, which concurrently satisfies, in part, certain response actions contemplated under the Environmental Services Cooperative Agreement. AWPIAA will continue the voluntary monitoring until such time the decision document is executed and AWPIAA's remediation responsibilities are specified. The long-term obligation to operate and maintain the facilities built under the remedial construction as well as the required sampling will be handled through a water system commercial agreement. As of September 30, 2013, AWPIAA estimated that its pollution remediation obligations amounted to \$153,007.

Stipulated Order

In 2002, the U.S. Government filed a complaint against the Guam Waterworks Authority (GWA) and GovGuam for alleged violations under the Federal Clean Water Act (CWA) and the Safe Drinking Water Act (SDWA). Because of GWA's non-compliance with the National Primary Drinking Water Regulations, the U.S. Government is seeking both civil penalties and injunctive relief to address such non-compliance. GWA and the U.S. Government of Justice, Environmental and Natural Resources Division mutually agreed in the form of a Stipulated Order to resolve the violation issues.

On June 5, 2003, a Stipulated Order for Preliminary Relief was filed before the District Court of Guam. The Stipulation requires implementation of short-term projects and initial planning measures by GWA. GWA is required to submit a final financial plan in the Master Plan that generates sufficient revenue to cover the cost of all compliance activities and deliverables required by the Stipulated Order for Preliminary Relief, as well as any other anticipated expenses, including any measures necessary to ensure compliance with the CWA and the SDWA and costs related to the infrastructure improvements identified in the Master Plan.

In 2006, the Stipulated Order was amended which required GWA to perform approximately \$220 million worth of capital improvement projects and perform other actions to bring GWA's system into compliance. However, GWA was unable to meet all deadlines set out in the amended Stipulated Order. The District Court ordered the parties to stipulate as to scope of remaining projects and project completion dates; however, the parties were unable to reach an agreement on all items. As a result, on November 10, 2011, the District Court issued an order setting new deadlines for the unfinished projects and establishing new projects that were not part of the amended Stipulated Order. As of September 30, 2013, the financial impact of the order has not been fully determined and has been estimated to cost approximately \$450 million to \$500 million, including financing costs.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Primary Treatment Permits

On November 29, 2011, the U.S. Environmental Protection Agency (EPA) informed GWA that its primary treatment permits for the Hagatna and Northern District Wastewater Treatment Plants had been denied and that GWA would be required to upgrade the plants to secondary treatment. The upgrades have been estimated to cost approximately \$300 million. GWA intends to negotiate with the EPA on the timelines for upgrading the plants, which may be deferring the upgrades for approximately 20 to 30 years.

Construction Contracts

Antonio B. Won Pat International Airport Authority has commitments of approximately \$10,700,000 under several construction contracts as of September 30, 2013 and approximately \$12,200,000 under other various contracts as of September 30, 2013.

Guam Waterworks Authority has commitments of \$13,930,919 under several capital projects as of September 30, 2013.

Guam Housing and Urban Renewal Authority has commitments of \$1,326,785 under several development stage contracts as of September 30, 2013.

Loans

Guam Housing Corporation has \$618,940 in loan commitments as of September 30, 2013.

Port Modernization Plan

The Port Modernization Plan (the Plan) spans a 30-year planning horizon with an estimated project cost of \$260 million and was conditionally approved in 2008 through Public Law 29-125. The Plan consists of Phases I-A and I-B with a focus on critical maintenance and repair of waterfront activities over the next five years and Phase II with a focus on expansion needed to address long-term cargo growth demands of Guam and neighboring islands over the next twenty years. In 2009, the Guam Legislature approved Phases I-A and I-B of the Plan through Public Law 30-57.

In June 2008, through a Memorandum of Understanding (MOU), PAG partnered with the Maritime Administration (MARAD) for the "Port of Guam Improvement Enterprise Program" (the Program). MARAD was designated as the lead federal agency assisting the Authority in securing funding sources to modernize its facilities and operations. Under the Program, MARAD is to provide federal oversight and coordination of projects, act as a central procurement organization, leverage federal, non-federal and private funding sources, and streamline the environmental review and permitting process. The partnership with MARAD was formalized through U.S. Public Law 110-417, *National Defense Authorization Act for 2010*. U.S. Public Law 110-417 also established the "Port of Guam Improvement Enterprise Fund" (the Fund), a separate account in the Treasury of the United States that will be used to receive funding from federal and non-federal sources to carry out the Program.

GOVERNMENT OF GUAM

Notes to Financial Statements September 30, 2013

(15) Discretely Presented Component Unit Disclosures, Continued

J. Commitments and Contingencies, Continued

Port Modernization Plan, Continued

PAG commenced with the Phase I-A of the Plan in 2010 and is to be funded by a \$50,000,000 appropriation from the U.S. Department of Defense, a \$25,000,000 loan from the U.S. Department of Agriculture, a \$25,000,000 Community Facilities Guaranteed Loan with a local bank, and a \$4,500,000 guaranteed term loan with a local bank. Due to changes in certain factors relating to the military buildup and cargo forecast, PAG management no longer intends to utilize the \$25,000,000 Community Facilities Guaranteed Loan.

At September 30, 2013, PAG has \$11,700,000 recorded in construction work in progress for the Port Modernization Plan. Realization of these assets is dependent on future events, including continuation of the Plan as currently envisioned.

Land Held for Development

Public Law 20-225 authorized the transfer of land under the Lada Estates Project from GovGuam to the Guam Housing Corporation (GHC) for the development of affordable housing units for sale to first-time homeowners. In addition to the initial cost of \$392,385, subsequent capitalized development costs were incurred of \$15,721,953, which included improvement costs incurred by the contractor of \$7,640,000 for on-site infrastructure and \$2,915,000 for off-site infrastructure. Subsequent economic conditions prevented the completion of the project and, as a result, GHC halted further development. The contractor subsequently sued GHC and GovGuam for the amount of improvement costs incurred. On January 6, 2012, the Superior Court of Guam approved a settlement agreement between GHC and the contractor wherein GHC conveyed the subject property to the contractor through a grant deed. The contractor agreed to give up its rights and claims to collect on the on-site improvement costs; however, reserved the right to continue the lawsuit against GovGuam for the costs associated with the off-site improvements.

In accordance with Public Law 31-282, GovGuam issued tax credits in the amount of \$2,915,000 in lieu of a cash payment for the off-site improvements costs. As of September 30, 2013, issued tax credits associated with this liability had been fully utilized.

(16) Restatement

Subsequent to the issuance of GovGuam's 2012 financial statements, it was determined that investment in land and other real estate of the governmental activities and the Chamorro Lands Fund were understated by \$406,640,273 due to the lack of implementation of GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. As a result of this determination, investment in land and other real estate have been restated.

GOVERNMENT OF GUAM

**REQUIRED SUPPLEMENTARY
INFORMATION**

YEAR ENDED SEPTEMBER 30, 2013

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual (Unaudited) General Fund Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Income	\$ 293,813,413	\$ 293,813,413	\$ 261,848,998	\$ (31,964,415)
Gross receipts	228,751,346	228,751,346	221,672,983	(7,078,363)
Income - COLA	-	-	5,653	5,653
Excise	3,847,425	3,847,425	2,725,994	(1,121,431)
Section 30 Federal income tax collections	51,655,293	51,655,293	96,104,113	44,448,820
Immigration fees	1,796,226	1,796,226	1,554,285	(241,941)
Indirect cost reimbursement	-	-	189,244	189,244
Contributions from component units	2,027,708	2,027,708	2,204,682	176,974
Other	7,741,519	9,541,519	17,881,231	8,339,712
Total revenues	589,632,930	591,432,930	604,187,183	12,754,253
Expenditures by Department:				
Executive Branch:				
Office of I Maga'lahaen Guahan	7,337,122	5,831,737	5,836,300	(4,563)
Office of I Segundu Na Maga'lahaen Guahan	20,565	850,643	843,203	7,440
Bureau of Budget and Management Research	1,058,320	991,205	1,026,595	(35,390)
Civil Service Commission	852,836	799,255	857,087	(57,832)
Department of Administration	15,595,357	15,128,869	18,870,077	(3,741,208)
Guam Election Commission	960,116	960,116	857,793	102,323
Department of Revenue and Taxation	14,289,819	15,293,284	12,086,233	3,207,051
Bureau of Statistics and Plans	1,180,301	1,107,014	1,166,317	(59,303)
Department of Public Works	10,436,028	9,624,206	9,401,612	222,594
Office of the Attorney General	11,658,096	9,179,467	8,986,056	193,411
Guam Police Department	27,887,447	26,495,080	28,489,876	(1,994,796)
Department of Corrections	21,627,132	20,164,731	20,409,465	(244,734)
Department of Agriculture	2,796,196	2,779,480	2,371,396	408,084
Department of Public Health and Social Services	35,935,400	8,835,852	8,072,717	763,135
Department of Education	190,336,634	189,462,026	199,082,835	(9,620,809)
Department of Youth Affairs	5,063,397	4,747,812	4,530,925	216,887
Department of Mental Health and Substance Abuse	15,173,706	13,466,747	11,897,786	1,568,961
Department of Labor	1,066,058	955,529	942,136	13,393
Department of Parks and Recreation	3,285,234	3,078,197	3,031,273	46,924
Department of Integrated Services for Individuals with Disabilities	1,242,447	536,190	485,211	50,979
Mayors' Council of Guam	8,958,055	8,514,279	8,937,758	(423,479)
Department of Land Management	681,075	648,746	419,705	229,041
Chief Medical Examiner	430,071	403,017	405,295	(2,278)
Department of Chamorro Affairs	1,011,953	2,182,435	2,031,230	151,205
Department of Military Affairs	702,054	177,100	144,381	32,719
Guam Fire Department	28,016,533	26,241,510	29,543,343	(3,301,833)
Payments to Component Units	56,964,338	69,674,953	52,160,373	17,514,580
GovGuam Retirement Fund appropriations	1,749,965	1,907,849	1,907,849	-
Miscellaneous appropriations	17,933,999	17,626,499	17,556,175	70,324
Interest and other charges	-	229,256	5,080,970	(4,851,714)
Debt service	56,756,266	98,150,734	93,790,725	4,360,009
Total expenditures	541,006,520	556,043,818	551,222,697	4,821,121
Excess of revenues over expenditures	48,626,410	35,389,112	52,964,486	17,575,374
Other financing sources (uses):				
Proceeds from issuance of refunding bonds	-	22,640,000	22,640,000	-
Proceeds from refinancing short-term obligations	-	-	19,937,926	19,937,926
Premium on refunded bonds issued	-	2,957,923	2,957,923	-
Transfers in from other funds	22,654,743	22,654,743	19,819,077	(2,835,666)
Transfers out to other funds	(86,318,340)	(112,948,021)	(111,225,785)	1,722,236
Total other financing sources (uses), net	(63,663,597)	(64,695,355)	(45,870,859)	18,824,496
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	26,371,187	26,371,187	3,913,248	(22,457,939)
Net change in fund balance	\$ 11,334,000	\$ (2,935,056)	\$ 11,006,875	\$ 13,941,931

See accompanying notes to required supplementary information - budgetary reporting.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Notes to Required Supplementary Information – Budgetary Reporting September 30, 2013

(1) Budgetary Process

As required under law (5 GCA §4103 and §4106), the Governor directs the preparation and administration of the Executive Budget for GovGuam on an annual basis. The Executive Budget represents the Governor's financial proposal with recommended priorities for allocating resources. The budget process is important and necessary for the enactment of a budget and review of government operations. The Budget Process occurs in four (4) phases: formulation, adoption, execution, and audit.

During the *formulation phase*, the economic forecast and the program and financial plans are prepared for the various departments. Economic data and statistics are utilized in developing projected revenues for the upcoming fiscal year. Once revenues have been projected, a budget call is distributed to all the line agencies. This process starts when the Bureau of Budget and Management Research (BBMR) issues guidelines to each line agency in the preparation and development of their respective budgets. The formulation phase culminates in the transmittal of the Program and Financial Plan (Executive Budget) with the Governor's Budget Message to the Legislature for its consideration.

The *adoption phase* is the process in which the Legislature considers the Governor's proposal and passes the overall revenue and spending plan under a General Appropriations Bill. The Bill usually receives more detailed hearings within the auspices of the applicable legislative committees. Usually, a series of hearings will be called during which department heads and staff members give an overview of the Governor's proposed budget and are expected to provide explanations when their department's/agency's appropriations are considered. Finally, the Legislature may pass a General Appropriations Bill. The Bill is then transmitted to the Governor for approval. Other bills to include amendments during the fiscal year may be introduced for enactment into law.

The *execution phase* involves the release of funds appropriated per the General Appropriations Act. Each department prepares allotment of appropriations and may request revisions, legislative or administrative transfers, or supplemental appropriations. BBMR must approve such revisions to allotments. The Bureau also monitors and assists agencies in carrying out the approved budget in line with the established policies of the Governor.

The *audit phase* involves the evaluation of departments/agencies to identify areas in need of improving compliance procedures with applicable laws and regulations. During the audit phase, financial transactions, accounts and reports are assessed and analyzed to improve accountability, effectiveness, and efficiency in the achievement of goals and objectives. This phase is also to assure economic use of resources to enhance achievement of public services.

Budgetary control is maintained within the departmental level. Budget revisions during the year, reflecting program changes or intradepartmental transfers of an administrative nature, may be effective with certain executive and legislative branch approval. Unencumbered appropriations normally lapse at the end of each fiscal year unless they are designated by the Legislature as representing continuing appropriations.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Notes to Required Supplementary Information – Budgetary Reporting September 30, 2013

(1) Budgetary Process, Continued

The Budget Act for fiscal year 2013, Public Law No. 31-233, was approved for the Executive branch and the Legislative branch. Budgets for Special Revenue Funds and Capital Projects Funds are generally not submitted. Accordingly, a budget to actual presentation for Special Revenue Funds and Capital Projects Funds is not required or presented. The accompanying Schedule of Revenues, Expenditures by Department, and Changes in Deficit - Budget and Actual - General Fund presents solely the financial activities of the General Fund administered by the Department of Administration, and does not include the financial activities of the General Fund administered by the Guam Department of Education or the impact of implementation of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

GovGuam's annual budget has been prepared on a basis that differs from governmental GAAP. Actual amounts in the accompanying budgetary comparison statements are presented on a budgetary basis, which includes outstanding encumbrances as a budgetary expenditure.

Encumbrance accounting is employed in governmental funds. For budgetary purposes, the encumbrances (i.e., purchase orders, contracts) are considered expenditures when incurred. For GAAP reporting purposes, encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent fiscal year.

(2) Reconciliation of Budgetary Schedule

Net change in fund balance (deficit) - budgetary basis	\$ 11,006,875
Net change in fund balance (deficit) of GASB 54 Funds included within the General Fund	<u>(38,816,428)</u>
Net change in fund balance (deficit) - General Fund	\$ <u>(27,809,553)</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Schedule of Funding Progress and Actuarial Accrued Liability - Post Employment Benefits Other than Pension (Unaudited)

The Schedule of Funding Progress presents GASB 45 results of OPEB valuations as of fiscal year ends September 30, 2011, 2009, and 2007 for GovGuam's Post Employment Benefits other than Pensions. The schedule provides an information trend about whether the actuarial values of Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
October 1, 2007	\$ -	\$ 1,635,223,000	\$ 1,635,223,000	0.0%	\$ 466,346,000	350.6%
October 1, 2009	\$ -	\$ 1,852,558,000	\$ 1,852,558,000	0.0%	\$ 466,346,000	397.2%
October 1, 2011	\$ -	\$ 2,088,331,000	\$ 2,088,331,000	0.0%	\$ 466,346,000	447.8%

The Schedule of Actuarial Accrued Liability presents GASB 45 agency-specific results of the OPEB valuation as of fiscal year end September 30, 2011 as a whole and assists in providing information that is helpful for understanding the scale of the information presented relative to each employer.

Primary Government:

GovGuam Line Agencies	\$ 359,547,000
GovGuam Retirement Fund	5,638,000
Guam Legislature	3,370,000
Guam Department of Education	382,476,000
Public Defender Service Corporation	4,988,000
Unified Courts of Guam	37,155,000
Guam Retirement Fund Retirees	875,878,000
Defined Contribution Retirees	84,688,000
Total Primary Government	<u>1,753,740,000</u>

Component Units:

Antonio B. Won Pat International Airport Authority	19,876,000
Guam Community College	19,794,000
Guam Economic Development Authority	1,877,000
Guam Housing Corporation	3,190,000
Guam Housing and Urban Renewal Authority	6,167,000
Guam Memorial Hospital Authority	79,012,000
Guam Power Authority	58,314,000
Guam Visitors Bureau	4,371,000
Guam Waterworks Authority	38,357,000
Port Authority of Guam	37,028,000
University of Guam	66,605,000
Total Component Units	<u>334,591,000</u>
Total Actuarial Accrued Liability	<u>\$ 2,088,331,000</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

**OTHER SUPPLEMENTARY
INFORMATION**

YEAR ENDED SEPTEMBER 30, 2013

GOVERNMENT OF GUAM

General Fund
September 30, 2013

The General Fund is the most significant of GovGuam's funds. Most tax revenues and certain miscellaneous revenues are recorded in the General Fund. The General Fund is divided into several accounts. A brief discussion of the accounts that comprise GovGuam's General Fund as of September 30, 2013, follows.

Department of Administration – the Department of Administration is responsible for maintaining the financial data of all line agencies of GovGuam with the exception of the Department of Education.

Guam Department of Education - the Guam Department of Education (GDOE), formerly known as the Guam Public School System, is a line agency of GovGuam. This fund is maintained separately by the Department of Education.

Department of Education Operations Fund - this fund was created by Public Law 28-68 to account for local appropriations to cover the operational expenses of the Guam Department of Education and any use associated with the Guam Department of Education, as determined in the Department of Education budget in accordance with 10 GCA Chapter 3, by the Guam Education Policy Board or the laws of Guam. This fund is maintained within the Department of Administration.

Agana Fractional Lots Program Fund - The Agana Fractional Lots Program Fund was initially established to account for transactions relevant to the Agana Fractional Lot Program dating back to the 1960s. Such transactions may involve the condemnation and seizure of lands from property owners by GovGuam and the compensation of those seized lands to the property owners.

Better Public Service Fund - This fund was created by Public Law 29-002 to account for 10% of all fees and license revenues received by the Department of Revenue and Taxation (DRT) for the purpose of improving and modernizing systems used to provide DRT services, including on-line filing of taxes, renewal of licenses and permits, upgrades of computer hardware/software to improve record retrieval by members of the public, and the training of DRT staff in technical skills and customer service.

Community Development Fund - This fund was created to account for funds allocated by the Mayor's Council of Guam to Mayors for payment of salaries of employees performing minor repairs and maintenance and for purchase of equipment and supplies necessary for performing minor repairs and maintenance.

DMHSA Receiver Fund - This fund accounts for all activities of the Federal Management Team associated with the Permanent Injunction requiring GovGuam to provide treatment and develop programs to mentally ill patients residing on Guam.

DOC Inmates Revolving Fund - The fund was created by Executive Order 94-17 and is administered by the Department of Corrections. Revenues are generated from funds collected for housing U.S. prisoners and detainees, meals charged to DOC employees, and sale of wet garbage to private persons. Expenditures are for purchases of clothing, food, equipment, medical supplies and medicines for prisoners and detainees.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

General Fund, Continued
September 30, 2013

D.O.D. Contract Fund - This fund was created by the Department of Administration to account for funds from the United States Department of Defense to the Department of Education (D.O.E.) specifically to provide for fixed tuition payment per eligible D.O.D. student enrolled in the Guam D.O.E. system and for the recruitment of qualified teachers. This fund is not subject to the provisions of OMB Circular A-133.

DPHSS Sanitary Inspection Revolving Fund - This fund was created by the Department of Public Health and Social Services to account for the overall cost of conducting sanitary inspections of temporary workforce housing and other required inspections.

Exxon Fuel Overcharge Fund - This fund was created based on a federal court decision against the Exxon Corporation. Guam was allocated some three million dollars as its share of the settlement. Expenditures are limited to Federal Energy Programs. Revenues are from interest earned on this fund's interest bearing account. This fund is administered by the Guam Energy Office.

Financial Management Revolving Fund - This fund was created by Executive Order No. 2002-12 for costs associated with the handling and accounting for monies and deposits to be charged for treasury services related to the Financial Management Division.

General Services Agency (GSA) Fund - GSA is maintained within the Department of Administration as the centralized procurement and warehousing for departments and agencies of GovGuam. Additionally, GSA oversees the delegation of procurement authority of approximately eleven departments and agencies.

GSA Inventory Revolving Fund - This fund was created for the purchase and replenishment of items to be carried in the supplies inventory maintained in the warehouse operated by GSA.

Government Claims Fund - This fund was created by Public Law 17-029 in order to pay for claims against any line agency of GovGuam. The sources of revenue are obtained from legislative appropriations. The Attorney General administers this fund and designates which claims shall be paid.

Guam Memorial Hospital Authority Pharmaceuticals Fund - This fund was created by Public Law 28-68 for the purpose of accounting for 5.61% of all gross receipts taxes collected in Guam for appropriation by *I Liheslaturan Guahan* to fund all pharmaceutical, drug and medicine requirements for Guam Memorial Hospital.

Guam Telephone Authority Privatization Proceeds Fund - This fund was created by Public Law 26-70 to account for the proceeds realized from the sale of the Guam Telephone Authority.

Housing Revolving Fund - This fund is maintained to account for the leasing of Government of Guam housing units to both private individuals and public organizations. Funding of this program is provided by both rental fees and Government contributions.

Human Resource Services Revolving Fund - This fund was created by Executive Order No. 2002-01 for administrative costs and supplies and equipment costs associated within the areas of classification and pay, recruitment, records, employee benefits, test development, employee management relations, training and development, as well as the Drug-Free Workplace Program of the Human Resources Division.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

General Fund, Continued
September 30, 2013

Income Tax Refund Reserve Fund - This fund was created by Public Law 22-140 for the purpose of receiving General Fund revenues reserved for income tax refund payments. This fund is not subject to any transfer authority of the Governor of Guam.

Income Tax Efficiency Payment Fund – This fund was created by Public Law 26-74 for the purpose of improving the efficiency of tax refund payments by hiring temporary income tax return processors, training of Department of Revenue and Taxation employees, and the purchase of computer and other equipment to quickly process income tax returns.

Legislature Operations Fund - The Guam Legislature was created by the Organic Act of Guam, as amended. It is a unicameral body of 15 members elected bi-annually. It meets in two regular year-round sessions. Funding is provided through General Fund appropriations.

Medically Indigent Program Payment Revolving Fund – This fund was created by Public Law 25-164 to be used for the payment of any authorized Medically Indigent Program obligation, regardless of when the obligation was incurred.

Off-Island Treatment Fund - This fund was created by Public Law 20-220 to be administered by the Director of Administration. Monies from the fund shall be expended upon order of the Superior Court of Guam to send a person under the jurisdiction of the court off-island for residential care arising from a physical, mental or emotional handicap or a severe emotional disturbance. Monies shall be expended for diagnosis, evaluation and treatment fees, medical and incidental expenses, room and board and transportation costs.

Office of Public Accountability Fund – The Office of Public Accountability was created by Public Law 21-122 as an instrumentality of GovGuam, independent of the executive, legislative and judicial branches.

Parks and Recreation Revolving Fund - This fund was created by Public Law 16-44 for the development, improvement and maintenance of the Guam Territorial Park System. Expenditures are authorized and made by appropriations from the Legislature.

Plant Protection and Quarantine Revolving Fund - This fund was created to account for all fees collected under the Department of Agriculture's fee schedule for agricultural quarantine activities.

Public Defender Service Corporation Fund – This fund was created by Public Law 13-51 to provide effective legal aid and assistance to those persons on Guam who are unable to afford counsel.

State Agency for Surplus Property Fund – This fund was created for the disposal of salvage and surplus personal property from GovGuam agencies and departments.

Stripperwell Overcharge Fund - This fund was created based on a federal court decision against Stripperwell. As with the Exxon Overcharge Fund, Guam was allocated a share of the settlement. Expenditures are limited to Federal Energy Programs. Revenues are from interest earned on this fund's interest bearing account. This fund is administered by the Guam Energy Office.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

General Fund, Continued
September 30, 2013

Supplemental Annuity Benefits Fund - This fund was created by Public Law 27-29 for the purpose of accounting for the payment of retiree supplemental annuity benefits by the Department of Administration.

Supplemental Appropriations Revenue Fund - This fund was created by Public Law 31-74 to ensure that various GovGuam agencies "deemed vital" would be funded, despite limited resources available.

Typhoon Chata'an and Halong Fund - This fund was created by Public Law 26-116 to account for appropriations made by the Legislature to cover the emergency recovery needs of Guam resulting from Typhoons Chata'an and Halong.

Unified Courts of Guam Fund - The fund was created as an independent judicial branch of GovGuam to account for the operations of the Supreme Court of Guam and the Superior Court of Guam. Funding is provided primarily through Government of Guam General Fund appropriations.

Water System Revenue Bond Fund - This fund is used to account for an assignment of Section 30 funds required by: (i) the Limited Obligation (Section 30) Bond Series A 2001 bond indenture to redeem bond principal and to pay bond interest as such becomes due; and (ii) a \$10,000,000 promissory bank note.

General Obligation Bond Series A 1993 Fund - This fund is used to account for funds required by the General Obligation Bond Series A 1993 bond indenture to redeem bond principal and to pay bond interest as such becomes due.

General Obligation Bond Series A 1995 Fund - This fund is used to account for funds required by the General Obligation Bond Series A 1995 bond indenture to redeem bond principal and to pay bond interest as such becomes due.

General Obligation Bond Series A 2007 Fund - This fund is used to account for funds required by the General Obligation Bond Series A 2007 bond indenture to redeem bond principal and to pay bond interest as such becomes due.

Streetlight Note Payable 2008 Fund - This fund is used to account for an assignment of Section 30 funds required by a \$13,800,000 promissory bank note.

Limited Obligation Bond Series A 2009 Fund - This fund is used to account for funds required by the Limited Obligation Bond Series A 2009 bond indenture to redeem bond principal and to pay bond interest as such becomes due.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Combining Schedule of Balance Sheet Accounts
General Fund
September 30, 2013

AS/400 Fund Number	100	518	309	628	319	255/643	214	106	638
	Department of Administration	Guam Department of Education	Department of Education Operations	Agana Fractional Lots Program	Better Public Service	Community Development	DMHSA Receiver	DOC Inmates Revolving	DPHSS Sanitary Inspection Revolving
ASSETS									
Cash and cash equivalents	\$ (161,238)	\$ 1,467,344	\$ 5,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,223
Investments	1,207,320	-	-	-	-	-	-	-	-
Receivables, net:									
Taxes	43,206,018	-	-	-	-	-	-	-	-
Federal agencies	31,942,060	-	-	-	-	-	-	-	-
Other	1,711,195	-	-	90,169	-	-	-	-	-
Due from other funds	113,819,588	4,182,032	281,890	-	483,605	-	-	1,606,868	192,953
Due from private purpose trust funds	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Prepayments	4,494,340	1,610,137	-	-	-	-	-	-	-
Deposits and other assets	985,713	2,354,899	-	-	-	-	-	-	-
Restricted assets:									
Cash and cash equivalents	-	5,904,904	-	-	-	-	3,305,590	-	-
Investments	26,162,600	19,078,908	-	-	-	-	-	-	-
Total assets	\$ 223,367,596	\$ 34,598,224	\$ 286,895	\$ 90,169	\$ 483,605	\$ -	\$ 3,305,590	\$ 1,606,868	\$ 371,176
LIABILITIES AND FUND BALANCE (DEFICIT)									
Accounts payable	\$ 53,978,897	\$ 12,981,518	\$ 281,890	\$ -	\$ 16,223	\$ -	\$ 525,279	\$ -	\$ -
Accrued payroll and other	3,967,746	9,912,908	-	-	-	-	(168,476)	-	-
Due to component units	3,144,084	-	-	-	-	-	-	-	-
Due to other funds	31,686,873	-	-	-	-	89,038	835,659	-	-
Due to private purpose trust funds	-	-	-	-	-	-	-	-	-
Payable to federal agencies	-	-	-	-	-	-	-	-	-
Unearned revenue	63,287,000	-	-	-	-	-	-	-	-
Provision for tax refunds	98,153,869	-	-	-	-	-	-	-	-
COLA liability	4,858,941	-	-	-	-	-	-	-	-
Deposits and other liabilities	9,908,266	-	-	-	-	-	-	748	-
Total liabilities	268,985,676	22,894,426	281,890	-	16,223	89,038	1,192,462	-	748
Fund balance (deficit):									
Non-spendable	1,000,000	-	-	-	-	-	-	-	-
Restricted	26,162,600	24,983,812	-	-	-	-	2,113,128	-	-
Committed	11,553,168	-	5,005	90,169	407,987	-	-	1,494,456	371,176
Assigned	-	-	-	-	59,395	-	-	112,412	-
Unassigned	(84,333,848)	(13,280,014)	-	-	-	(89,038)	-	1,176	-
Total fund balance (deficit)	(45,618,080)	11,703,798	5,005	90,169	467,382	(89,038)	2,113,128	1,606,868	371,176
Total liabilities and fund balance (deficit)	\$ 223,367,596	\$ 34,598,224	\$ 286,895	\$ 90,169	\$ 483,605	\$ -	\$ 3,305,590	\$ 1,606,868	\$ 371,176

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Balance Sheet Accounts
General Fund
September 30, 2013

AS/400 Fund Number	104	299	229	404	239	617	616	201	298	303	321
	Exxon Fuel Overcharge	Financial Management Revolving	General Services Agency	GSA Inventory Revolving	Government Claims	Guam Memorial Hospital Authority Pharmaceuticals	Guam Telephone Authority Privatization Proceeds	Housing Revolving	Human Resources Services Revolving	Income Tax Refund Reserve	Income Tax Efficiency Payment
ASSETS											
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	1,405	\$ -	\$ -	\$ -	6,193	\$ 8,105,122
Investments	231,480	-	-	-	-	-	-	-	-	-	-
Receivables, net:											
Taxes	-	-	-	-	-	-	-	-	-	-	-
Federal agencies	-	-	-	-	-	-	-	-	-	-	-
Other	28,738	19,661	-	-	-	-	605,657	302,379	-	-	-
Due from other funds	101,693	71,996	24,668	398,476	-	-	194,129	1,470	37,753	5,705,052	-
Due from private purpose trust funds	-	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	865,934	-	-	-	-	-	-	-
Prepayments	-	-	-	-	-	-	-	-	-	-	-
Deposits and other assets	-	-	-	-	-	-	-	-	-	-	-
Restricted assets:											
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 361,911	\$ 91,657	\$ 24,668	\$ 1,264,410	\$ -	\$ 1,405	\$ 799,786	\$ 303,849	\$ 37,753	\$ 5,711,245	\$ 8,105,122
LIABILITIES AND FUND BALANCE (DEFICIT)											
Accounts payable	\$ 289	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll and other	-	232	-	-	-	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	1,397	-	-	-	-	7,829,947
Due to private purpose trust funds	-	-	-	-	-	-	-	-	-	-	-
Payable to federal agencies	-	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-
Provision for tax refunds	-	-	-	-	-	-	-	-	-	5,192,264	-
COLA liability	-	-	-	-	-	-	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-	-	-	8,894	-	-	-
Total liabilities	289	232	-	-	-	1,397	-	8,894	-	5,192,264	7,829,947
Fund balance (deficit):											
Non-spendable	-	-	-	865,934	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-
Committed	361,622	86,935	-	-	-	8	799,786	294,955	36,658	518,981	275,175
Assigned	-	4,490	3,809	73,204	-	-	-	-	1,095	-	-
Unassigned	-	-	20,859	325,272	-	-	-	-	-	-	-
Total fund balance (deficit)	361,622	91,425	24,668	1,264,410	-	8	799,786	294,955	37,753	518,981	275,175
Total liabilities and fund balance (deficit)	\$ 361,911	\$ 91,657	\$ 24,668	\$ 1,264,410	\$ -	\$ 1,405	\$ 799,786	\$ 303,849	\$ 37,753	\$ 5,711,245	\$ 8,105,122

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Balance Sheet Accounts
General Fund
September 30, 2013

AS/400 Fund Number		293	329		225	504		314	103	607	645
	Legislature Operations	Medically Indigent Program Payment Revolving	Off-Island Treatment	Office of Public Accountability	Parks and Recreation Revolving	Plant Protection and Quarantine Revolving	Public Defender Service Corporation	State Agency for Surplus Property	StripperWell Overcharge	Supplemental Annuity Benefits	Supplemental Appropriations Revenue
ASSETS											
Cash and cash equivalents	\$ 1,939,766	\$ -	\$ -	\$ 165,394	\$ -	\$ -	\$ 1,471,362	\$ 26	\$ -	\$ -	\$ 4,782
Investments	-	-	-	310,603	-	-	-	-	18,731	-	-
Receivables, net:	-	-	-	-	-	-	-	-	-	-	-
Taxes	-	-	-	-	-	-	-	-	-	-	-
Federal agencies	-	-	-	19,017	-	-	-	-	-	-	-
Other	12,462	-	-	-	-	-	5,671	19,515	-	-	-
Due from other funds	-	2,517,689	296	-	-	-	-	118,374	-	-	-
Due from private purpose trust funds	-	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	165,412	-	-	-
Prepayments	-	-	-	-	-	-	-	-	-	-	-
Deposits and other assets	-	-	-	-	-	-	-	-	-	-	-
Restricted assets:	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 1,952,228	\$ 2,517,689	\$ 296	\$ 495,014	\$ -	\$ -	\$ 1,477,033	\$ 303,327	\$ 18,731	\$ -	\$ 4,782
LIABILITIES AND FUND BALANCE (DEFICIT)											
Accounts payable	\$ 31,663	\$ 2,517,689	\$ -	\$ 25,643	\$ -	\$ -	\$ 4,049	\$ -	\$ 188	\$ -	\$ -
Accrued payroll and other	140,742	-	-	-	-	-	-	-	-	-	-
Due to component units	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	4,808	3,548	-	-	-	-	2,357,855
Due to private purpose trust funds	-	-	-	-	-	-	-	-	-	-	-
Payable to federal agencies	-	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-
Provision for tax refunds	-	-	-	-	-	-	-	-	-	-	-
COLA liability	-	-	-	-	-	-	-	-	-	-	-
Deposits and other liabilities	-	-	13,213	-	-	-	9,105	-	-	-	-
Total liabilities	172,405	2,517,689	13,213	25,643	4,808	3,548	13,154	-	188	-	2,357,855
Fund balance (deficit):	-	-	-	-	-	-	-	-	-	-	-
Non-spendable	-	-	-	-	-	-	-	165,412	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-
Committed	1,779,823	-	-	469,371	-	-	1,463,879	100,636	18,543	-	-
Assigned	-	-	-	-	-	-	-	37,279	-	-	-
Unassigned	-	-	(12,917)	-	(4,808)	(3,548)	-	-	-	-	(2,353,073)
Total fund balance (deficit)	1,779,823	-	(12,917)	469,371	(4,808)	(3,548)	1,463,879	303,327	18,543	-	(2,353,073)
Total liabilities and fund balance (deficit)	\$ 1,952,228	\$ 2,517,689	\$ 296	\$ 495,014	\$ -	\$ -	\$ 1,477,033	\$ 303,327	\$ 18,731	\$ -	\$ 4,782

(continued)

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Balance Sheet Accounts
General Fund
September 30, 2013

AS/400 Fund Number	501	355	357	359	361	362	363				
	Typhoon Chataan & Halong	Unified Courts of Guam	Water System Revenue Bond Debt Service	General Obligation Series A 1993 Debt Service	General Obligation Series A 1995 Debt Service	General Obligation Series A 2007 Debt Service	Streetlight Note Payable 2008 Debt Service	Limited Obligation Series A 2009 Debt Service	Combined Total	Eliminating Entries	Total
ASSETS											
Cash and cash equivalents	\$ -	\$ 1,278,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	14,463,903	\$ -	\$ 14,463,903
Investments	-	-	46,469,774	-	-	-	-	-	48,237,908	-	48,237,908
Receivables, net:											
Taxes	-	-	-	-	-	-	-	-	43,206,018	-	43,206,018
Federal agencies	-	685,709	-	-	-	-	-	-	32,646,786	-	32,646,786
Other	-	14,343	-	-	-	-	-	-	2,809,790	-	2,809,790
Due from other funds	-	2,105,294	-	3,176,478	630,656	-	-	-	135,650,960	(92,681,378)	42,969,582
Due from private purpose trust funds	-	4,528,968	-	-	-	-	-	-	4,528,968	-	4,528,968
Inventories	-	-	-	-	-	-	-	-	1,031,346	-	1,031,346
Prepayments	-	-	-	-	-	-	-	-	6,104,477	-	6,104,477
Deposits and other assets	-	429,368	-	-	-	-	-	-	3,769,980	-	3,769,980
Restricted assets:											
Cash and cash equivalents	-	-	-	-	-	-	-	15,672,535	24,883,029	-	24,883,029
Investments	-	-	-	-	-	7,215,238	-	17,186,015	69,642,761	-	69,642,761
Total assets	\$ -	\$ 9,042,277	\$ 46,469,774	\$ 3,176,478	\$ 630,656	\$ 7,215,238	\$ -	\$ 32,858,550	\$ 386,975,926	\$ (92,681,378)	\$ 294,294,548
LIABILITIES AND FUND BALANCE (DEFICIT)											
Accounts payable	\$ -	\$ 569,187	\$ 2,000	\$ -	\$ -	\$ -	\$ -	\$ -	70,934,515	\$ -	\$ 70,934,515
Accrued payroll and other	-	6,460,773	-	-	-	-	-	-	20,313,925	-	20,313,925
Due to component units	-	-	-	-	-	-	-	-	3,144,084	-	3,144,084
Due to other funds	770	-	44,249,403	-	-	5,772,553	320,023	15,672,331	108,824,205	(92,681,378)	16,142,827
Due to private purpose trust funds	-	-	-	-	-	-	-	-	-	-	-
Payable to federal agencies	-	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	63,287,000	-	63,287,000
Provision for tax refunds	-	-	-	-	-	-	-	-	103,346,133	-	103,346,133
COLA liability	-	-	-	-	-	-	-	-	4,858,941	-	4,858,941
Deposits and other liabilities	-	-	-	-	-	-	-	-	9,940,226	-	9,940,226
Total liabilities	770	7,029,960	44,251,403	-	-	5,772,553	320,023	15,672,331	384,649,029	(92,681,378)	291,967,651
Fund balance (deficit):											
Non-spendable	-	-	-	-	-	-	-	-	2,031,346	-	2,031,346
Restricted	-	-	-	-	-	-	-	-	71,888,444	-	71,888,444
Committed	-	2,012,317	-	-	-	1,442,685	-	17,186,219	22,140,650	-	22,140,650
Assigned	-	-	-	-	-	-	-	-	291,684	(291,684)	-
Unassigned	(770)	-	2,218,371	3,176,478	630,656	-	(320,023)	-	(94,025,227)	291,684	(93,733,543)
Total fund balance (deficit)	(770)	2,012,317	2,218,371	3,176,478	630,656	1,442,685	(320,023)	17,186,219	2,326,897	-	2,326,897
Total liabilities and fund balance (deficit)	\$ -	\$ 9,042,277	\$ 46,469,774	\$ 3,176,478	\$ 630,656	\$ 7,215,238	\$ -	\$ 32,858,550	\$ 386,975,926	\$ (92,681,378)	\$ 294,294,548

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Function, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	100	618	309	628	319	255/643	214	106	638	
	Department of Administration	Guam Department of Education	Department of Education Operations	Agana Fractional Lots Program	Better Public Service	Community Development	DMHSA Receiver	DOC Inmates Revolving	D.O.D. Contract	DPHSS Sanitary Inspection Revolving
Revenues:										
Taxes:										
Income	\$ 261,848,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts	221,672,983	-	-	-	-	-	-	-	-	-
Income - COLA	5,653	-	-	-	-	-	-	-	-	-
Excise	2,725,994	-	-	-	-	-	-	-	-	-
Section 30 Federal income tax collections	96,104,113	-	-	-	-	-	-	-	-	-
Intergovernmental	-	563,658	-	-	-	-	-	-	-	-
Licenses and permits	4,885,378	-	-	-	-	-	-	-	-	116,274
Charges for services	1,554,285	1,493,199	-	-	-	-	-	1,124,100	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	94,948	-	10	-	-	-	67,356	-	3	447
Contributions from component units	2,204,682	-	-	-	-	-	-	-	-	-
Indirect cost reimbursement	189,244	-	-	-	-	-	-	-	-	-
Other	12,900,905	-	-	-	-	-	61,260	-	-	-
Total revenues	604,187,183	2,056,857	10	-	-	-	128,616	1,124,100	3	116,721
Expenditures by Function:										
Current:										
General government	41,501,468	-	-	-	1,398,884	-	-	-	-	-
Protection of life and property	91,711,510	-	-	-	-	-	-	599,229	-	-
Public health	16,733,269	-	-	-	-	-	3,937,062	-	-	-
Community services	3,149,314	-	-	-	-	-	-	-	-	-
Recreation	3,009,100	-	-	-	-	-	-	-	-	-
Individual and collective rights	12,913,099	-	-	-	-	-	-	-	-	-
Public education	5,763,784	238,289,414	-	-	-	-	-	-	-	-
Economic development	3,529,849	-	-	-	-	-	-	-	-	-
Payments to:										
GovGuam Retirement Fund	1,907,849	-	-	-	-	-	-	-	-	-
Guam Community College	13,166,268	-	-	-	-	-	-	-	-	-
Guam Educational Telecom. Corporation	541,977	-	-	-	-	-	-	-	-	-
Guam Housing Corporation	243,058	-	-	-	-	-	-	-	-	-
Guam Memorial Hospital Authority	7,654,639	-	-	-	-	-	-	-	-	-
University of Guam	30,554,431	-	-	-	-	-	-	-	-	-
Miscellaneous appropriations	14,197,122	8,077,260	-	-	-	-	-	-	-	-
Debt service:										
Principal retirement	3,600,000	825,000	-	-	-	-	-	-	-	-
Bond issuance costs	229,256	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	35,679,152	6,142,935	-	-	-	-	-	-	-	-
Total expenditures	286,085,145	253,334,609	-	-	1,398,884	-	3,937,062	599,229	-	-
Excess (deficiency) of revenues over (under) expenditures	318,102,038	(251,277,752)	10	-	(1,398,884)	-	(3,808,446)	524,871	3	116,721
Other financing sources (uses):										
Proceeds from refunded bonds issued	22,640,000	-	-	-	-	-	-	-	-	-
Premium on refunded bonds issued	2,957,923	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds from refinancing short-term obligations	19,937,926	-	-	-	-	-	-	-	-	-
Transfers in from other funds	19,819,077	219,273,210	191,850,082	-	1,504,173	-	3,007,272	-	-	-
Transfers out to other funds	(372,450,089)	(801,950)	(191,850,082)	-	-	-	-	-	-	-
Total other financing sources (uses), net	(307,095,163)	218,471,260	-	-	1,504,173	-	3,007,272	-	-	-
Net change in fund balances (deficit)	11,006,875	(32,806,492)	10	-	105,289	-	(801,174)	524,871	3	116,721
Fund balances (deficit) at beginning of year	(56,624,955)	44,510,290	4,995	90,169	362,093	(89,038)	2,914,302	1,081,997	1,173	254,455
Fund balances (deficit) at end of year	\$ (45,618,080)	\$ 11,703,798	\$ 5,005	\$ 90,169	\$ 467,382	\$ (89,038)	\$ 2,113,128	\$ 1,606,868	\$ 1,176	\$ 371,176

See Accompanying Independent Auditors Report.

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Function, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	104	299	229	404	239	617	616	201	298	303	321
	Exxon Fuel Overcharge	Financial Management Revolving	General Services Agency	GSA Inventory Revolving	Government Claims	Guam Memorial Hospital Authority Pharmaceuticals	Guam Telephone Authority Privatization Proceeds	Housing Revolving	Human Resources Services Revolving	Income Tax Refund Reserve	Income Tax Efficiency Payment
Revenues:											
Taxes:											
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-	-	-	-	-	-	-	-
Income - COLA	-	-	-	-	-	-	-	-	-	-	-
Excise	-	-	-	-	-	-	-	-	-	-	-
Section 30 Federal income tax collections	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	76,826	20,946	313,791	-	-	-	-	39,593	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	-	-	-	-	-	1	-	-	-	325	13,018
Contributions from component units	-	-	-	-	-	-	-	-	-	-	-
Indirect cost reimbursement	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	3,659
Total revenues	-	76,826	20,946	313,791	-	1	-	-	39,593	325	16,677
Expenditures by Function:											
Current:											
General government	1,450	63,990	3,182	-	100,000	-	-	-	43,865	-	-
Protection of life and property	-	-	-	-	-	-	-	-	-	-	-
Public health	-	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-	-
Individual and collective rights	-	-	-	-	-	-	-	-	-	-	-
Public education	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-
Payments to:											
GovGuam Retirement Fund	-	-	-	-	-	-	-	-	-	-	-
Guam Community College	-	-	-	-	-	-	-	-	-	-	-
Guam Educational Telecom. Corporation	-	-	-	-	-	-	-	-	-	-	-
Guam Housing Corporation	-	-	-	-	-	-	-	-	-	-	-
Guam Memorial Hospital Authority	-	-	-	-	-	9,150,038	-	-	-	-	-
University of Guam	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous appropriations	-	-	-	-	-	-	-	-	-	-	-
Debt service:											
Principal retirement	-	-	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	1,450	63,990	3,182	-	100,000	9,150,038	-	-	43,865	-	-
Excess (deficiency) of revenues over (under) expenditures	(1,450)	12,836	17,764	313,791	(100,000)	(9,150,037)	-	-	(4,272)	325	16,677
Other financing sources (uses):											
Proceeds from refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-
Premium on refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-	-
Proceeds from refinancing short-term obligations	-	-	-	-	-	-	-	-	-	-	-
Transfers in from other funds	-	-	-	-	100,000	9,150,038	-	-	-	-	-
Transfers out to other funds	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses), net	-	-	-	-	100,000	9,150,038	-	-	-	-	-
Net change in fund balances (deficit)	(1,450)	12,836	17,764	313,791	-	1	-	-	(4,272)	325	16,677
Fund balances (deficit) at beginning of year	363,072	78,589	6,904	950,619	-	7	799,786	294,955	42,025	518,656	258,498
Fund balances (deficit) at end of year	\$ 361,622	\$ 91,425	\$ 24,668	\$ 1,264,410	\$ -	\$ 8	\$ 799,786	\$ 294,955	\$ 37,753	\$ 518,981	\$ 275,175

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Function, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	293		329		225		504		314		103		607		645	
	Legislature Operations	Medically Indigent Program Payment Revolving	Off-Island Treatment	Office of Public Accountability	Parks and Recreation Revolving	Plant Protection and Quarantine Revolving	Public Defender Service Corporation	State Agency for Surplus Property	StripperWell Overcharge	Supplemental Annuity Benefits	Supplemental Appropriations Revenue					
Revenues:																
Taxes:																
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income - COLA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excise	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Section 30 Federal income tax collections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	20,812	-	-	34,761	2,162	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	5,141	-	-	3,748	-	-	-	-	-	-	-	-	-	-	-	220
Contributions from component units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Indirect cost reimbursement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	315,360	-	-	-	-	-	1	51,377	-	-	-	-	-	-	-	-
Total revenues	320,501	-	-	24,560	-	-	34,762	53,539	-	-	-	-	-	-	-	220
Expenditures by Function:																
Current:																
General government	7,947,211	-	1,610,253	1,157,574	-	-	4,359,470	104,353	938	9,848,084	62,991					
Protection of life and property	-	-	-	-	-	-	-	-	-	-	-					
Public health	-	9,475,009	-	-	-	-	-	-	-	-	-					
Community services	-	-	-	-	-	-	-	-	-	-	-					
Recreation	-	-	-	-	-	-	-	-	-	-	-					
Individual and collective rights	-	-	-	-	-	-	-	-	-	-	-					
Public education	-	-	-	-	-	-	-	-	-	-	-					
Economic development	-	-	-	-	-	-	-	-	-	-	-					
Payments to:																
GovGuam Retirement Fund	-	-	-	-	-	-	-	-	-	-	-					
Guam Community College	-	-	-	-	-	-	-	-	-	-	-					
Guam Educational Telecom. Corporation	-	-	-	-	-	-	-	-	-	-	-					
Guam Housing Corporation	-	-	-	-	-	-	-	-	-	-	-					
Guam Memorial Hospital Authority	-	-	-	-	-	-	-	-	-	-	-					
University of Guam	-	-	-	-	-	-	-	-	-	-	-					
Miscellaneous appropriations	-	-	-	-	-	-	-	-	-	-	-					
Debt service:																
Principal retirement	-	-	-	-	-	-	-	-	-	-	-					
Bond issuance costs	-	-	-	-	-	-	-	-	-	-	-					
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-					
Total expenditures	7,947,211	9,475,009	1,610,253	1,157,574	-	-	4,359,470	104,353	938	9,848,084	62,991					
Excess (deficiency) of revenues over (under) expenditures	(7,626,710)	(9,475,009)	(1,610,253)	(1,133,014)	-	-	(4,324,708)	(50,814)	(938)	(9,848,084)	(62,771)					
Other financing sources (uses):																
Proceeds from refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-					
Premium on refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-					
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-	-					
Proceeds from refinancing short-term obligations	-	-	-	-	-	-	-	-	-	-	-					
Transfers in from other funds	7,422,365	10,077,895	1,646,310	1,151,260	-	-	4,448,118	-	-	9,848,084	-					
Transfers out to other funds	-	-	-	-	-	-	-	-	-	-	(212,351)					
Total other financing sources (uses), net	7,422,365	10,077,895	1,646,310	1,151,260	-	-	4,448,118	-	-	9,848,084	(212,351)					
Net change in fund balances (deficit)	(204,345)	602,886	36,057	18,246	-	-	123,410	(50,814)	(938)	-	(275,122)					
Fund balances (deficit) at beginning of year	1,984,168	(602,886)	(48,974)	451,125	(4,808)	(3,548)	1,340,469	354,141	19,481	-	(2,077,951)					
Fund balances (deficit) at end of year	\$ 1,779,823	\$ -	\$ (12,917)	\$ 469,371	\$ (4,808)	\$ (3,548)	\$ 1,463,879	\$ 303,327	\$ 18,543	\$ -	\$ (2,353,073)					
See Accompanying Independent Auditors' Report.																
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(continued)																

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Function, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	501	355	357	359	361	362	363				
	Typhoon Chataan & Halong	Unified Courts of Guam	Water System Revenue Bond Debt Service	General Obligation Series A 1993 Debt Service	General Obligation Series A 1995 Debt Service	General Obligation Series A 2007 Debt Service	Streetlight Note Payable 2008 Debt Service	Limited Obligation Series A 2009 Debt Service	Combined Total	Eliminating Entries	Total
Revenues:											
Taxes:											
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 261,848,998	\$ -	\$ 261,848,998
Gross receipts	-	-	-	-	-	-	-	-	221,672,983	-	221,672,983
Income - COLA	-	-	-	-	-	-	-	-	5,653	-	5,653
Excise	-	-	-	-	-	-	-	-	2,725,994	-	2,725,994
Section 30 Federal income tax collections	-	-	-	-	-	-	-	-	96,104,113	-	96,104,113
Intergovernmental	-	1,769,113	-	-	-	-	-	-	2,388,344	-	2,388,344
Licenses and permits	-	-	-	-	-	-	-	-	5,454,970	-	5,454,970
Charges for services	-	-	-	-	-	-	-	-	4,171,584	-	4,171,584
Fines and forfeits	-	485,471	-	-	-	-	-	-	485,471	-	485,471
Interest and investment earnings	-	-	1,756	34	-	583	-	(136,778)	50,812	-	50,812
Contributions from component units	-	-	-	-	-	-	-	-	2,204,682	-	2,204,682
Indirect cost reimbursement	-	-	-	-	-	-	-	-	189,244	-	189,244
Other	-	-	-	-	-	-	-	-	13,332,562	-	13,332,562
Total revenues	-	2,254,584	1,756	34	-	583	-	(136,778)	610,635,410	-	610,635,410
Expenditures by Function:											
Current:											
General government	-	-	-	-	-	-	-	-	68,203,713	-	68,203,713
Protection of life and property	-	-	-	-	-	-	-	-	92,310,739	-	92,310,739
Public health	-	-	-	-	-	-	-	-	20,670,331	-	20,670,331
Community services	-	-	-	-	-	-	-	-	12,624,323	-	12,624,323
Recreation	-	-	-	-	-	-	-	-	3,009,100	-	3,009,100
Individual and collective rights	-	30,909,516	-	-	-	-	-	-	43,822,615	-	43,822,615
Public education	-	-	-	-	-	-	-	-	244,053,198	-	244,053,198
Economic development	-	-	-	-	-	-	-	-	3,529,849	-	3,529,849
Payments to:											
GovGuam Retirement Fund	-	-	-	-	-	-	-	-	1,907,849	-	1,907,849
Guam Community College	-	-	-	-	-	-	-	-	13,166,268	-	13,166,268
Guam Educational Telecom. Corporation	-	-	-	-	-	-	-	-	541,977	-	541,977
Guam Housing Corporation	-	-	-	-	-	-	-	-	243,058	-	243,058
Guam Memorial Hospital Authority	-	-	-	-	-	-	-	-	16,804,677	-	16,804,677
University of Guam	-	-	-	-	-	-	-	-	30,554,431	-	30,554,431
Miscellaneous appropriations	-	-	-	-	-	-	-	-	22,274,382	-	22,274,382
Debt service:											
Principal retirement	-	-	1,656,534	3,405,000	-	-	-	4,590,000	14,076,534	-	14,076,534
Bond issuance costs	-	-	-	-	-	-	-	-	229,256	-	229,256
Interest and fiscal charges	-	-	56,958	756,880	-	7,874,700	-	11,082,706	61,593,331	-	61,593,331
Total expenditures	-	30,909,516	1,713,492	4,161,880	-	7,874,700	-	15,672,706	649,615,631	-	649,615,631
Excess (deficiency) of revenues over (under) expenditures	-	(28,654,932)	(1,711,736)	(4,161,846)	-	(7,874,117)	-	(15,809,484)	(38,980,221)	-	(38,980,221)
Other financing sources (uses):											
Proceeds from refunded bonds issued	-	-	-	-	-	-	-	-	22,640,000	-	22,640,000
Premium on refunded bonds issued	-	-	-	-	-	-	-	-	2,957,923	-	2,957,923
Payment to refunding bond escrow agent	-	-	-	(25,088,795)	-	-	-	-	(25,088,795)	-	(25,088,795)
Proceeds from refinancing short-term obligations	-	-	-	-	-	-	-	-	19,937,926	-	19,937,926
Transfers in from other funds	-	23,820,958	1,713,492	29,250,675	-	7,874,700	-	15,672,706	557,630,415	(524,704,001)	32,926,414
Transfers out to other funds	-	(1,592,329)	-	-	-	-	-	-	(566,906,801)	524,704,001	(42,202,800)
Total other financing sources (uses), net	-	22,228,629	1,713,492	4,161,880	-	7,874,700	-	15,672,706	11,170,668	-	11,170,668
Net change in fund balances (deficit)	-	(6,426,303)	1,756	34	-	583	-	(136,778)	(27,809,553)	-	(27,809,553)
Fund balances (deficit) at beginning of year	(770)	8,438,620	2,216,615	3,176,444	630,656	1,442,102	(320,023)	17,322,997	30,136,450	-	30,136,450
Fund balances (deficit) at end of year	\$ (770)	\$ 2,012,317	\$ 2,218,371	\$ 3,176,478	\$ 630,656	\$ 1,442,685	\$ (320,023)	\$ 17,186,219	\$ 2,326,897	\$ -	\$ 2,326,897

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Object, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	100	618	309	628	319	255/643	214	106	638	
	Department of Administration	Guam Department of Education	Department of Education Operations	Agana Fractional Lots Program	Better Public Service	Community Development	DMHSA Receiver	DOC Inmates Revolving	D.O.D. Contract	DPHSS Sanitary Inspection Revolving
Revenues:										
Taxes:										
Income	\$ 261,848,998	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts	221,672,983	-	-	-	-	-	-	-	-	-
Income - COLA	5,653	-	-	-	-	-	-	-	-	-
Excise	2,725,994	-	-	-	-	-	-	-	-	-
Section 30 Federal income tax collections	96,104,113	-	-	-	-	-	-	-	-	-
Intergovernmental	-	563,658	-	-	-	-	-	-	-	-
Licenses and permits	4,885,378	-	-	-	-	-	-	-	-	116,274
Charges for services	1,554,285	1,493,199	-	-	-	-	-	1,124,100	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	94,948	-	10	-	-	-	67,356	-	3	447
Contributions from component units	2,204,682	-	-	-	-	-	-	-	-	-
Indirect cost reimbursement	189,244	-	-	-	-	-	-	-	-	-
Other	12,900,905	-	-	-	-	-	61,260	-	-	-
Total revenues	604,187,183	2,056,857	10	-	-	-	128,616	1,124,100	3	116,721
Expenditures by Object:										
Salaries and wages - regular	96,762,980	120,185,423	-	-	-	-	1,444,461	-	-	-
Salaries and wages - overtime	6,524,810	-	-	-	-	-	80	-	-	-
Salaries and wages - fringe benefits	35,151,619	46,282,059	-	-	-	-	443,814	-	-	-
Travel	163,239	332,855	-	-	5,336	-	-	-	-	-
Contractual services	16,481,538	15,653,132	-	-	1,393,187	-	1,405,933	599,229	-	-
Building rent	3,476,025	4,493,256	-	-	-	-	1,989	-	-	-
Supplies	2,384,493	3,284,606	-	-	360	-	426,581	-	-	-
Equipment	140,626	1,517,952	-	-	-	-	3,147	-	-	-
Utilities - power and water	6,964,315	16,285,333	-	-	-	-	-	-	-	-
Communications	1,407,765	322,125	-	-	-	-	-	-	-	-
Capital outlays	80,329	28,837,807	-	-	-	-	187,225	-	-	-
Grants and subsidies	53,526,794	-	-	-	-	-	-	-	-	-
Supplemental annuity benefits	6,962,817	-	-	-	-	-	-	-	-	-
Retiree healthcare benefits	8,845,408	8,077,260	-	-	-	-	-	-	-	-
Principal retirement	3,600,000	825,000	-	-	-	-	-	-	-	-
Interest and fiscal charges	37,442,677	6,142,935	-	-	-	-	-	-	-	-
Miscellaneous	6,169,710	1,094,866	-	-	1	-	23,832	-	-	-
Total expenditures	286,085,145	253,334,609	-	-	1,398,884	-	3,937,062	599,229	-	-
Excess (deficiency) of revenues over (under) expenditures	318,102,038	(251,277,752)	10	-	(1,398,884)	-	(3,808,446)	524,871	3	116,721
Other financing sources (uses):										
Proceeds from refunded bonds issued	22,640,000	-	-	-	-	-	-	-	-	-
Premium on refunded bonds issued	2,957,923	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds from refinancing short-term obligations	19,937,926	-	-	-	-	-	-	-	-	-
Transfers in from other funds	19,819,077	219,273,210	191,850,082	-	1,504,173	-	3,007,272	-	-	-
Transfers out to other funds	(372,450,089)	(801,950)	(191,850,082)	-	-	-	-	-	-	-
Total other financing sources (uses), net	(307,095,163)	218,471,260	-	-	1,504,173	-	3,007,272	-	-	-
Net change in fund balances (deficit)	11,006,875	(32,806,492)	10	-	105,289	-	(801,174)	524,871	3	116,721
Fund balances (deficit) at beginning of year	(56,624,955)	44,510,290	4,995	90,169	362,093	(89,038)	2,914,302	1,081,997	1,173	254,455
Fund balances (deficit) at end of year	\$ (45,618,080)	\$ 11,703,798	\$ 5,005	\$ 90,169	\$ 467,382	\$ (89,038)	\$ 2,113,128	\$ 1,606,868	\$ 1,176	\$ 371,176

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Object, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	104	299	229	404	239	617	616	201	298	303	321
	Exxon Fuel Overcharge	Financial Management Revolving	General Services Agency	GSA Inventory Revolving	Government Claims	Guam Memorial Hospital Authority Pharmaceuticals	Guam Telephone Authority Privatization Proceeds	Housing Revolving	Human Resources Services Revolving	Income Tax Refund Reserve	Income Tax Efficiency Payment
Revenues:											
Taxes:											
Income	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Gross receipts	-	-	-	-	-	-	-	-	-	-	-
Income - COLA	-	-	-	-	-	-	-	-	-	-	-
Excise	-	-	-	-	-	-	-	-	-	-	-
Section 30 Federal income tax collections	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	76,826	20,946	313,791	-	-	-	-	39,593	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	-	-	-	-	-	1	-	-	-	325	13,018
Contributions from component units	-	-	-	-	-	-	-	-	-	-	-
Indirect cost reimbursement	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	3,659
Total revenues	-	76,826	20,946	313,791	-	1	-	-	39,593	325	16,677
Expenditures by Object:											
Salaries and wages - regular	-	1,634	-	-	-	-	-	-	-	-	-
Salaries and wages - overtime	-	16,795	-	-	-	-	-	-	-	-	-
Salaries and wages - fringe benefits	-	2,466	-	-	-	-	-	-	-	-	-
Travel	-	-	3,182	-	-	-	-	-	-	-	-
Contractual services	-	20,888	-	-	-	-	-	-	-	-	-
Building rent	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	10,160	-	-	-	-	-	-	435	-	-
Equipment	-	12,047	-	-	-	-	-	-	-	-	-
Utilities - power and water	-	-	-	-	-	-	-	-	-	-	-
Communications	-	-	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies	-	-	-	-	-	9,150,038	-	-	-	-	-
Supplemental annuity benefits	-	-	-	-	-	-	-	-	-	-	-
Retiree healthcare benefits	-	-	-	-	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,450	-	-	-	100,000	-	-	-	43,430	-	-
Total expenditures	1,450	63,990	3,182	-	100,000	9,150,038	-	-	43,865	-	-
Excess (deficiency) of revenues over (under) expenditures	(1,450)	12,836	17,764	313,791	(100,000)	(9,150,037)	-	-	(4,272)	325	16,677
Other financing sources (uses):											
Proceeds from refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-
Premium on refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-	-
Proceeds from refinancing short-term obligations	-	-	-	-	-	-	-	-	-	-	-
Transfers in from other funds	-	-	-	-	100,000	9,150,038	-	-	-	-	-
Transfers out to other funds	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses), net	-	-	-	-	100,000	9,150,038	-	-	-	-	-
Net change in fund balances (deficit)	(1,450)	12,836	17,764	313,791	-	1	-	-	(4,272)	325	16,677
Fund balances (deficit) at beginning of year	363,072	78,589	6,904	950,619	-	7	799,786	294,955	42,025	518,656	258,498
Fund balances (deficit) at end of year	\$ 361,622	\$ 91,425	\$ 24,668	\$ 1,264,410	\$ -	\$ 8	\$ 799,786	\$ 294,955	\$ 37,753	\$ 518,981	\$ 275,175

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Object, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	293		329		225		504		314		103		607		645	
	Legislature Operations	Medically Indigent Program Payment Revolving	Off-Island Treatment	Office of Public Accountability	Parks and Recreation Revolving	Plant Protection and Quarantine Revolving	Public Defender Service Corporation	State Agency for Surplus Property	StripperWell Overcharge	Supplemental Annuity Benefits	Supplemental Appropriations Revenue					
Revenues:																
Taxes:																
Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Gross receipts	-	-	-	-	-	-	-	-	-	-	-					
Income - COLA	-	-	-	-	-	-	-	-	-	-	-					
Excise	-	-	-	-	-	-	-	-	-	-	-					
Section 30 Federal income tax collections	-	-	-	-	-	-	-	-	-	-	-					
Intergovernmental	-	-	-	20,812	-	-	34,761	-	-	-	-					
Licenses and permits	-	-	-	-	-	-	-	2,162	-	-	-					
Charges for services	-	-	-	-	-	-	-	-	-	-	-					
Fines and forfeits	-	-	-	-	-	-	-	-	-	-	-					
Interest and investment earnings	5,141	-	-	3,748	-	-	-	-	-	-	220					
Contributions from component units	-	-	-	-	-	-	-	-	-	-	-					
Indirect cost reimbursement	-	-	-	-	-	-	-	-	-	-	-					
Other	315,360	-	-	-	-	-	1	51,377	-	-	-					
Total revenues	320,501	-	-	24,560	-	-	34,762	53,539	-	-	220					
Expenditures by Object:																
Salaries and wages - regular	5,397,178	-	13,054	559,973	-	-	2,772,221	1,187	-	-	-					
Salaries and wages - overtime	-	-	-	-	-	-	-	12,190	-	-	-					
Salaries and wages - fringe benefits	1,116,143	-	4,896	210,947	-	-	1,041,965	328	-	-	-					
Travel	51,769	9,438	26,220	11,110	-	-	-	2,006	-	-	-					
Contractual services	268,988	-	-	164,948	-	-	110,778	22,727	-	-	62,991					
Building rent	538,932	-	-	102,594	-	-	335,698	-	-	-	-					
Supplies	90,703	-	-	7,575	-	-	19,411	13,556	-	-	-					
Equipment	32,496	-	-	17,966	-	-	13,607	6,210	-	-	-					
Utilities - power and water	243,022	-	-	2,781	-	-	28,800	-	-	-	-					
Communications	76,875	-	-	-	-	-	10,105	-	-	-	-					
Capital outlays	-	-	-	-	-	-	6,471	46,069	-	-	-					
Grants and subsidies	-	-	-	-	-	-	-	-	-	-	-					
Supplemental annuity benefits	-	-	-	-	-	-	-	-	-	9,848,084	-					
Retiree healthcare benefits	-	-	-	-	-	-	-	-	-	-	-					
Principal retirement	-	-	-	-	-	-	-	-	-	-	-					
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-					
Miscellaneous	131,105	9,465,571	1,566,083	79,680	-	-	20,414	80	938	-	-					
Total expenditures	7,947,211	9,475,009	1,610,253	1,157,574	-	-	4,359,470	104,353	938	9,848,084	62,991					
Excess (deficiency) of revenues over (under) expenditures	(7,626,710)	(9,475,009)	(1,610,253)	(1,133,014)	-	-	(4,324,708)	(50,814)	(938)	(9,848,084)	(62,771)					
Other financing sources (uses):																
Proceeds from refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-					
Premium on refunded bonds issued	-	-	-	-	-	-	-	-	-	-	-					
Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-	-	-					
Proceeds from refinancing short-term obligations	-	-	-	-	-	-	-	-	-	-	-					
Transfers in from other funds	7,422,365	10,077,895	1,646,310	1,151,260	-	-	4,448,118	-	-	9,848,084	-					
Transfers out to other funds	-	-	-	-	-	-	-	-	-	-	(212,351)					
Total other financing sources (uses), net	7,422,365	10,077,895	1,646,310	1,151,260	-	-	4,448,118	-	-	9,848,084	(212,351)					
Net change in fund balances (deficit)	(204,345)	602,886	36,057	18,246	-	-	123,410	(50,814)	(938)	-	(275,122)					
Fund balances (deficit) at beginning of year	1,984,168	(602,886)	(48,974)	451,125	(4,808)	(3,548)	1,340,469	354,141	19,481	-	(2,077,951)					
Fund balances (deficit) at end of year	\$ 1,779,823	\$ -	\$ (12,917)	\$ 469,371	\$ (4,808)	\$ (3,548)	\$ 1,463,879	\$ 303,327	\$ 18,543	\$ -	\$ (2,353,073)					

(continued)

GOVERNMENT OF GUAM
Combining Schedule of Revenues, Expenditures by Object, and Changes in Fund Balance (Deficit) Accounts
General Fund
Year Ended September 30, 2013

AS/400 Fund Number	501	355	357	359	361	362	363				
	Typhoon Chataan & Halong	Unified Courts of Guam	Water System Revenue Bond Debt Service	General Obligation Series A 1993 Debt Service	General Obligation Series A 1995 Debt Service	General Obligation Series A 2007 Debt Service	Streetlight Note Payable 2008 Debt Service	Limited Obligation Series A 2009 Debt Service	Combined Total	Eliminating Entries	Total
Revenues:											
Taxes:											
Income	\$	\$	\$	\$	\$	-	\$	\$	\$ 261,848,998	\$	\$ 261,848,998
Gross receipts									221,672,983		221,672,983
Income - COLA									5,653		5,653
Excise									2,725,994		2,725,994
Section 30 Federal income tax collections									96,104,113		96,104,113
Intergovernmental		1,769,113							2,388,344		2,388,344
Licenses and permits		-	-	-	-	-	-	-	5,454,970		5,454,970
Charges for services		-	-	-	-	-	-	-	4,171,584		4,171,584
Fines and forfeits		485,471							485,471	-	485,471
Interest and investment earnings			1,756	34		583		(136,778)	50,812		50,812
Contributions from component units									2,204,682		2,204,682
Indirect cost reimbursement									189,244		189,244
Other									13,332,562	-	13,332,562
Total revenues	-	2,254,584	1,756	34	-	583	-	(136,778)	610,635,410	-	610,635,410
Expenditures by Object:											
Salaries and wages - regular		20,329,896							247,468,007		247,468,007
Salaries and wages - overtime		26,516							6,580,391		6,580,391
Salaries and wages - fringe benefits		6,859,170							91,113,407		91,113,407
Travel		172,748							777,903		777,903
Contractual services		1,692,039							37,876,378		37,876,378
Building rent		18,773							8,967,267		8,967,267
Supplies		327,031							6,564,911		6,564,911
Equipment		28,213							1,772,264		1,772,264
Utilities - power and water		611,923							24,136,174		24,136,174
Communications		104,585							1,921,455		1,921,455
Capital outlays									29,157,901		29,157,901
Grants and subsidies									62,676,832		62,676,832
Supplemental annuity benefits									16,810,901		16,810,901
Retiree healthcare benefits									16,922,668		16,922,668
Principal retirement			1,649,675	3,405,000	-	-		4,590,000	14,069,675		14,069,675
Interest and fiscal charges			63,817	756,880		7,874,700		11,082,706	63,363,715		63,363,715
Miscellaneous	-	738,622	-	-	-	-	-	-	19,435,782	-	19,435,782
Total expenditures	-	30,909,516	1,713,492	4,161,880	-	7,874,700	-	15,672,706	649,615,631	-	649,615,631
Excess (deficiency) of revenues over (under) expenditures	-	(28,654,932)	(1,711,736)	(4,161,846)	-	(7,874,117)	-	(15,809,484)	(38,980,221)	-	(38,980,221)
Other financing sources (uses):											
Proceeds from refunded bonds issued									22,640,000		22,640,000
Premium on refunded bonds issued									2,957,923		2,957,923
Payment to refunding bond escrow agent				(25,088,795)					(25,088,795)		(25,088,795)
Proceeds from refinancing short-term obligations									19,937,926		19,937,926
Transfers in from other funds		23,820,958	1,713,492	29,250,675		7,874,700		15,672,706	557,630,415	(524,704,001)	32,926,414
Transfers out to other funds		(1,592,329)	-	-		-		-	(566,906,801)	524,704,001	(42,202,800)
Total other financing sources (uses), net	-	22,228,629	1,713,492	4,161,880	-	7,874,700	-	15,672,706	11,170,668	-	11,170,668
Net change in fund balances (deficit)		(6,426,303)	1,756	34	-	583		(136,778)	(27,809,553)	-	(27,809,553)
Fund balances (deficit) at beginning of year	(770)	8,438,620	2,216,615	3,176,444	630,656	1,442,102	(320,023)	17,322,997	30,136,450	-	30,136,450
Fund balances (deficit) at end of year	\$ (770)	\$ 2,012,317	\$ 2,218,371	\$ 3,176,478	\$ 630,656	\$ 1,442,685	\$ (320,023)	\$ 17,186,219	\$ 2,326,897	\$ -	\$ 2,326,897

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Revenues:		
Taxes:		
Income	\$ 261,848,998	\$ 284,219,325
Gross receipts	221,672,983	221,443,640
Income - COLA	5,653	604,016
Excise	2,725,994	2,459,927
Section 30 Federal income tax collections	96,104,113	53,125,949
Intergovernmental	2,388,344	3,907,254
Licenses and permits	5,454,970	7,587,723
Charges for services	4,171,584	5,325,196
Fines and forfeits	485,471	385,935
Interest and investment earnings	50,812	897,701
Indirect cost reimbursement	189,244	379,935
Contributions from component units	2,204,682	2,114,429
Other	13,332,562	13,709,681
Total revenues	<u>610,635,410</u>	<u>596,160,711</u>
Expenditures by Department:		
General Government:		
Office of I Maga'lahaen Guahan:		
Office of the Governor	3,683,482	3,506,528
Office of the Governor - Guam Liaison Office	169,434	195,472
Ancestral Land Trust Commission	-	168,985
Government House	483,123	462,820
Bureau of Information Technology	95,952	128,099
Medical Referral Offices	596,662	601,468
Office of Civil Defense	90,639	-
Office of Veteran's Affairs	385,590	325,316
	<u>5,504,882</u>	<u>5,388,688</u>
Office of I Segundu Na Maga'lahaen Guahan:		
Office of the Lieutenant Governor	820,172	754,994
Bureau of Budget and Management Research:		
Office of the Director	288,647	346,848
Internal Audit Division	737,948	641,328
	<u>1,026,595</u>	<u>988,176</u>
Civil Service Commission:		
Office of the Director	351,747	362,348
Board of Commissioners	61,546	33,875
Legal Office	107,294	99,977
Personnel Management	334,253	266,896
	<u>854,840</u>	<u>763,096</u>

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
General Government, continued:		
Department of Administration:		
Office of the Director	4,119,682	3,574,011
Office of the Director - COLA	16,810,901	18,778,400
Office of the Director - Child Support	657,404	650,367
Office of the Director - Drug Free Workplace	2,980	8,882
Office of the Director - Health insurance benefits	-	5,414,355
Office of the Director - Power and Water	-	3,264,103
Office of the Director - Prior Year Obligations	2,697,099	-
Personnel Management	1,535,935	1,568,037
Financial Management	63,990	710,348
Data Processing	1,149,051	1,053,966
General Services Agency	760,330	697,277
Division of Accounts	2,440,364	1,632,206
	<u>30,237,736</u>	<u>37,351,952</u>
Department of Public Works:		
Office of the Director	1,337,279	982,030
Capital Improvement Projects	1,126,766	1,587,104
Building Construction and Facilities Maintenance	1,141,496	1,025,964
	<u>3,605,541</u>	<u>3,595,098</u>
Department of Revenue and Taxation:		
Office of the Director	5,567,513	4,991,384
Office of the Director - Vacancies and Tax Attorney	101,098	77,848
Office of the Director - Real Property Assessment Bond	15,878	216,338
Tax Enforcement Division	2,387,782	2,134,383
Real Property Tax Division	652,463	631,641
Taxpayer Services Division	1,658,221	1,750,457
Regulatory Division	1,291,207	1,147,876
Motor Vehicle Division	600,275	653,461
	<u>12,274,437</u>	<u>11,603,388</u>
Department of Land Management:		
Office of the Director	323,070	544,792
Ancestral Land Trust Commission	92,185	-
Office of the Director	415,255	544,792
Legislative Branch:		
Guam Legislature	7,947,211	7,713,309
Public Auditor:		
Office of Public Accountability	1,157,574	1,111,354
Legal Services::		
Public Defender Services Corporation	4,359,470	4,604,666
Total General Government	<u>68,203,713</u>	<u>74,419,513</u>

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
Protection of Life and Property		
Department of Corrections:		
Office of the Director	4,135,729	3,347,879
Office of the Director - Bureau of Prisons	639,049	417,038
Office of the Director - Food Contract	1,517,606	-
Office of the Director - GMHA	646,317	-
Adult Correctional Facility	10,042,996	9,600,106
Rosario Detention Center	2,785,275	2,075,513
Casework and Counseling Service Division	251,765	312,501
Forensic Division	194,442	188,970
Parole Service Division	603,315	564,433
	<u>20,816,494</u>	<u>16,506,440</u>
Department of Youth Affairs:		
Office of the Director	124,555	114,663
Office of the Director - Nursing and Medication	8,701	29,765
Division of Youth Development	886,904	564,184
Division of Youth Corrections	2,634,019	2,492,471
Division of Vocational Rehabilitation and Support Services	821,897	496,551
	<u>4,476,076</u>	<u>3,697,634</u>
Guam Fire Department:		
Office of the Fire Chief	106,053	186,461
Administrative and Logistical Support	1,415,930	961,429
Emergency Medical Service/Rescue Operations Bureau	9,652,379	9,285,217
Fire Suppression Bureau	18,305,465	17,542,227
	<u>29,479,827</u>	<u>27,975,334</u>
Guam Police Department:		
Office of the Chief	3,509,117	1,677,257
Office of the Chief - Police Commander	3,130,974	2,892,166
Office of the Chief - Administration Division	1,666,489	1,505,532
Office of the Chief - Overtime	1,701,526	1,827,032
Office of the Chief - Fuel	453,257	477,282
Criminal Investigation Division	2,997,634	2,702,158
Neighborhood Patrol Division	10,145,060	9,097,097
Support Division	1,788,877	1,820,649
Forensic Science Division	1,463,996	1,052,481
Highway Patrol Division	1,499,903	1,423,072
	<u>28,356,833</u>	<u>24,474,726</u>
Office of the Attorney-General:		
Attorney-General's Office	8,776,644	7,418,296
Chief Medical Examiner:		
Medical Examiner's Office	404,865	384,252
Total Protection of Life and Property	<u>92,310,739</u>	<u>80,456,682</u>

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
Public Health:		
Department of Mental Health and Substance Abuse:		
Office of the Director	7,473,496	7,324,571
Office of the Director - Permanent Injunction	4,287,043	4,679,166
Clinical Services Division	750,301	883,555
Child and Adolescent Services Division	734,562	728,512
Nursing Services Division	2,442,067	2,228,015
	<u>15,687,469</u>	<u>15,843,819</u>
Department of Public Health and Social Services:		
Office of the Director	582,381	1,840,773
Chief Public Health Office	198,844	159,869
Community Health Services	48,000	96,000
Communicable Disease Control	667,300	525,294
Primary Care Services	214,878	113,341
Division of Environmental Health	627,451	544,292
Financial Management Services	194,090	190,976
Supply Section	136,237	124,999
Management Support Services	151,542	176,277
Facilities and Maintenance	1,894,408	829,385
Systems Group	267,731	150,528
	<u>4,982,862</u>	<u>4,751,734</u>
Total Public Health	<u>20,670,331</u>	<u>20,595,553</u>
Community Services:		
Department of Public Health and Social Services:		
Medically Indigent Program	9,564,061	9,167,210
Foster Care	1,917,103	1,954,916
Division of Senior Citizens	283,282	232,209
Adult Protective Services	376,738	430,908
	<u>12,141,184</u>	<u>11,785,243</u>
Department of Integrated Services for Individuals with Disabilities:		
Office of the Director	464,587	482,762
Basic Support 110	18,552	13,815
	<u>483,139</u>	<u>496,577</u>
Guam Public Library System:		
Office of the Director	-	248,129
Hagatna-Dededo Library	-	40,913
Barrigada Library	-	19,541
Agat Library	-	11,049
Yona Library	-	12,000
Merizo Library	-	22,098
	<u>-</u>	<u>353,730</u>
Total Community Services	<u>12,624,323</u>	<u>12,635,550</u>

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
Recreation:		
Department of Parks and Recreation:		
Office of the Director	1,074,765	254,106
Memorial Services	34,740	55,150
Community Programs	302,482	305,277
Pool and Beach Programs	339,553	336,527
Paseo Stadium	57,259	84,476
Parks Administration and Planning	74,103	88,572
Historic Preservation Division	234,378	214,618
Parks Maintenance	790,072	792,773
Territorial Park Protection	101,748	167,202
Total Recreation	3,009,100	2,298,701
Individual and Collective Rights:		
Office of I Maga'lahaen Guahan:		
Commission on Decolonization	220,118	153,240
Department of Chamorro Affairs:		
Office of the Director	551,734	572,987
Guam Public Library	1,140,953	602,997
Language and Culture Division	55,345	51,270
Research Publication and Training	79,752	74,836
Guam Museum	190,173	238,641
	2,017,957	1,540,731
Department of Labor:		
Office of the Director	128,685	121,206
Wage and Hour Division	189,953	205,649
Bureau of Labor Statistics	206,251	280,474
Fair Employment Practice Office	65,261	81,027
Worker's Compensation Commission	245,509	154,504
Fiscal and Support Office	101,512	134,153
	937,171	977,013
Department of Military Affairs:		
Office of the Adjutant General	144,381	141,004
Other:		
Unified Courts of Guam	30,909,516	30,857,278
Guam Election Commission	850,067	867,359
Mayor's Council of Guam	8,743,405	7,816,714
	40,502,988	39,541,351
Total Individual and Collective Rights	43,822,615	42,353,339

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
Public Education:		
Guam Commission for Educator Certification	133,507	158,786
Department of Education:		
Guam Public School System	238,289,414	208,634,681
Department of Public Works:		
Bus Operations	5,630,277	5,101,319
Total Public Education	244,053,198	213,894,786
Economic Development:		
Bureau of Statistics and Plans:		
Administration	313,705	314,873
Chief Economist's Office	2,982	2,359
Planning Information	304,429	257,118
Socio-Economic Planning	144,062	143,547
Business and Economic Statistics Division	401,053	377,502
	1,166,231	1,095,399
Department of Agriculture:		
Office of the Director	1,014,608	806,848
Fire Protection	151,800	127,431
Aquatic and Wildlife Resources Division	539,054	586,020
Animal and Plant Industry Division	303,989	273,497
Animal Health Section	354,167	376,350
	2,363,618	2,170,146
Total Economic Development	3,529,849	3,265,545
Payments to Component Units:		
Government of Guam Retirement Fund:		
Medicare Reimbursement	1,298,849	968,950
Governor and Lieutenant Governor Pension Contributions	251,000	232,515
Judge and Justice Retirement Annuities	358,000	458,448
	1,907,849	1,659,913
Guam Community College	13,166,268	13,157,212
Guam Educational Telecommunications Corporation	541,977	463,947
Guam Housing Corporation	243,058	-
Guam Memorial Hospital Authority	16,804,677	23,430,944
University of Guam	30,554,431	30,881,589
Total Payments to Component Units	63,218,260	69,593,605
Miscellaneous Appropriations:		
Retiree Healthcare Premiums	16,922,668	22,610,227
Guam Football Association	500,000	-
Retiree Healthcare Premiums	17,422,668	22,610,227

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Expenditures by Department, continued:		
Interest and other charges:		
Interest on tax refunds	1,096,019	11,171,090
Public Law 28-38 Special Retirement payments	-	658,319
Credit card charge fees and other bank fees	-	1,496,706
Merit bonus	-	9,386,458
Lada Estate court judgment	-	2,915,000
Other	3,755,695	5,559,813
Total Interest and other charges	4,851,714	31,187,386
Debt service:		
Principal retirement	14,069,675	21,514,941
Bond issuance costs	229,256	5,476,111
Interest and fiscal charges	61,600,190	52,448,496
Total Debt Service	75,899,121	79,439,548
Total expenditures	649,615,631	652,750,435
Deficiency of revenues under expenditures	(38,980,221)	(56,589,724)
Other financing sources (uses):		
Proceeds from bonds issued	22,640,000	343,700,000
Payment to refunded bond escrow agent	(25,088,795)	-
Proceeds from refinancing short-term obligations	19,937,926	-
Premium on bonds issued	2,957,923	14,516,986
	20,447,054	358,216,986
Transfers in from other funds:		
Federal Grants Fund	256,400	3,077,220
Accessible Parking Fund	515,188	-
Criminal Injuries Compensation Fund	555,031	-
DPW Building and Design Fund	660,572	-
GFD Capital Revolving Fund	900,000	-
Guam Environmental Trust Fund	36,697	32,833
Health and Human Services Fund	1,010	-
Healthy Futures Fund	2,895,832	6,246,661
Indirect Cost Fund	-	212,500
Landfill CIP Fund	-	20,718,419
Pesticide Management Fund	204,893	-
Professional Engineers', Architects', and Surveyors' Fund	483,853	-
Public Library System Fund	489,703	652,440
Recycling Revolving Fund	770,455	2,100,879
Section 2718 Fund	-	4,046,055
Solid Waste Operations Fund	4,497,097	4,497,097
Territorial Education Facilities Fund	19,758,576	20,869,104
Territorial Highway Fund	901,107	905,368
	32,926,414	63,358,576

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GOVERNMENT OF GUAM

Statement of Revenues, Expenditures by Department, and Changes in Fund Balance (Deficit) - General Fund, Continued Year Ended September 30, 2013 (With comparatives for the year ended September 30, 2012)

	2013	2012
Other financing sources (uses), continued:		
Transfers out to other funds:		
Customs, Agriculture and Quarantine Inspection Services Fund	1,691,449	1,617,893
Federal Grants Assistance Fund	37,764,433	27,432,600
GDOE Federal Grants Fund	114,450	-
Geodetic Network Fund	-	14,291
Guam Charter Schools Fund	687,500	-
Manpower Development Fund	564,588	-
Streetlight Fund	-	713,673
Unified Courts of Guam Trust Fund	745,433	1,140,109
Worker's Compensation Fund	634,947	798,561
	<u>42,202,800</u>	<u>31,717,127</u>
Total other financing sources (uses), net	<u>11,170,668</u>	<u>389,858,435</u>
Net change in fund balance (deficit)	<u>(27,809,553)</u>	<u>333,268,711</u>
Fund balance (deficit) at the beginning of the year	<u>30,136,450</u>	<u>(303,132,261)</u>
Fund balance at the end of the year	<u>\$ 2,326,897</u>	<u>\$ 30,136,450</u>

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GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Revenues:				
Taxes:				
Income	\$ 293,813,413	\$ 293,813,413	\$ 261,848,998	\$ (31,964,415)
Gross receipts	228,751,346	228,751,346	221,672,983	(7,078,363)
Income - COLA	-	-	5,653	5,653
Excise	3,847,425	3,847,425	2,725,994	(1,121,431)
Section 30 Federal income tax collections	51,655,293	51,655,293	96,104,113	44,448,820
Immigration fees	1,796,226	1,796,226	1,554,285	(241,941)
Indirect cost reimbursement	-	-	189,244	189,244
Contributions from component units	2,027,708	2,027,708	2,204,682	176,974
Other	7,741,519	9,541,519	17,881,231	8,339,712
Total revenues	589,632,930	591,432,930	604,187,183	12,754,253
Expenditures by Department:				
Executive Branch:				
Office of I Maga'lahaen Guahan:				
Office of the Governor	6,313,521	3,770,113	3,745,847	24,266
Office of the Governor - Guam Liaison Office	5,330	176,543	171,213	5,330
Commission on Decolonization	239,915	224,719	220,192	4,527
Government House	50,719	547,308	516,105	31,203
Bureau of Information Technology	9,265	104,451	97,685	6,766
Medical Referral Offices	2,211	602,230	600,263	1,967
Office of Civil Defense	1,485	102,133	97,132	5,001
Office of Veteran's Affairs	714,676	304,240	387,863	(83,623)
	<u>7,337,122</u>	<u>5,831,737</u>	<u>5,836,300</u>	<u>(4,563)</u>
Office of I Segundu Na Maga'lahaen Guahan:				
Office of the Lieutenant Governor	20,565	850,643	843,203	7,440
Bureau of Budget and Management Research:				
Office of the Director	1,058,320	288,649	288,647	2
Internal Audit Division	-	702,556	737,948	(35,392)
	<u>1,058,320</u>	<u>991,205</u>	<u>1,026,595</u>	<u>(35,390)</u>
Civil Service Commission:				
Office of the Director	852,836	346,838	353,994	(7,156)
Board of Commissioners	-	61,548	61,546	2
Legal Office	-	98,558	107,294	(8,736)
Personnel Management	-	292,311	334,253	(41,942)
	<u>852,836</u>	<u>799,255</u>	<u>857,087</u>	<u>(57,832)</u>

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GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Executive Branch, continued:				
Department of Administration:				
Office of the Director	8,153,734	2,722,519	2,798,909	(76,390)
Office of the Director - COLA	6,770,500	6,770,500	6,962,817	(192,317)
Office of the Director - Child Support	650,088	675,512	675,512	-
Office of the Director - Drug Free Workplace	20,167	20,167	2,980	17,187
Office of the Director - Power and Water	868	868	868	-
Office of the Director - Prior Year Obligations	-	-	2,697,099	(2,697,099)
Personnel Management	-	1,289,828	1,492,070	(202,242)
Data Processing	-	935,727	1,149,051	(213,324)
General Services Agency	-	599,069	652,795	(53,726)
Division of Accounts	-	2,114,679	2,437,976	(323,297)
	<u>15,595,357</u>	<u>15,128,869</u>	<u>18,870,077</u>	<u>(3,741,208)</u>
Guam Election Commission	960,116	960,116	857,793	102,323
Department of Revenue and Taxation:				
Office of the Director	9,784,697	2,346,897	2,443,436	(96,539)
Office of the Director - Vacancies and Overtime	4,239,867	4,239,867	2,531,430	1,708,437
Office of the Director - Vacancies and Tax Attorney	199,872	199,872	102,437	97,435
Office of the Director - Stimulus Tax Rebates	65,383	65,383	-	65,383
Office of the Director - Real Property Assessment Bond	-	18,982	18,982	-
Office of the Director - Transaction Processing System	-	400,000	400,000	-
Office of the Director - Real Property Revaluation	-	1,400,000	-	1,400,000
Tax Enforcement Division	-	2,387,783	2,387,782	1
Real Property Tax Division	-	652,464	652,463	1
Taxpayer Services Division	-	1,667,515	1,658,221	9,294
Regulatory Division	-	1,291,208	1,291,207	1
Motor Vehicle Division	-	623,313	600,275	23,038
	<u>14,289,819</u>	<u>15,293,284</u>	<u>12,086,233</u>	<u>3,207,051</u>
Bureau of Statistics and Plans:				
Administration	1,155,999	303,559	313,706	(10,147)
Chief Economist's Office	24,302	24,302	3,067	21,235
Planning Information	-	260,932	304,429	(43,497)
Socio-Economic Planning	-	138,908	144,062	(5,154)
Business and Economic Statistics Division	-	379,313	401,053	(21,740)
	<u>1,180,301</u>	<u>1,107,014</u>	<u>1,166,317</u>	<u>(59,303)</u>
Department of Public Works:				
Office of the Director	10,436,028	1,683,487	1,563,728	119,759
Capital Improvement Projects	-	1,102,421	1,064,975	37,446
Bus Operations Division	-	5,688,328	5,630,277	58,051
Building Construction and Facilities Maintenance	-	1,149,970	1,142,632	7,338
	<u>10,436,028</u>	<u>9,624,206</u>	<u>9,401,612</u>	<u>222,594</u>

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GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Executive Branch, continued:				
Office of the Attorney-General:				
Attorney-General's Office	11,658,096	9,179,467	8,986,056	193,411
Guam Police Department:				
Office of the Chief	27,878,865	3,717,587	3,611,561	106,026
Office of the Chief - Police Commander	-	3,107,555	3,130,974	(23,419)
Office of the Chief - Administration Division	-	1,664,322	1,666,489	(2,167)
Office of the Chief - Overtime	-	1,266,933	1,701,526	(434,593)
Office of the Chief - Equipment and Training	3,201	3,201	3,201	-
Office of the Chief - Fuel	-	453,257	453,257	-
Criminal Investigation Division	-	2,986,702	2,997,634	(10,932)
Neighborhood Patrol Division	-	9,032,909	10,145,060	(1,112,151)
Support Division	-	1,821,527	1,811,131	10,396
Forensic Science Division	5,381	1,065,064	1,469,140	(404,076)
Highway Patrol Division	-	1,376,023	1,499,903	(123,880)
	27,887,447	26,495,080	28,489,876	(1,994,796)
Department of Corrections:				
Office of the Director	20,931,132	3,836,741	3,689,824	146,917
Office of the Director - Bureau of Prisons	696,000	653,562	639,049	14,513
Office of the Director - Food Service Contract	-	1,556,482	1,556,482	-
Office of the Director - GMHA	-	827,131	646,317	180,814
Adult Correctional Facility	-	9,413,127	10,042,996	(629,869)
Rosario Detention Center	-	2,828,154	2,785,275	42,879
Casework and Counseling Service Division	-	251,767	251,765	2
Forensic Division	-	193,619	194,442	(823)
Parole Service Division	-	604,148	603,315	833
	21,627,132	20,164,731	20,409,465	(244,734)
Department of Agriculture:				
Office of the Director	2,792,444	1,412,295	1,022,386	389,909
Aquatic and Wildlife Resources Division	-	150,853	151,800	(947)
Animal and Plant Industry Division	750	546,860	539,054	7,806
Plant Inspection Station	-	303,990	303,989	1
Animal Health Section	3,002	365,482	354,167	11,315
	2,796,196	2,779,480	2,371,396	408,084

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Executive Branch, continued:				
Department of Public Health and Social Services:				
Office of the Director	35,715,424	878,156	596,493	281,663
Chief Public Health Office	11,067	235,124	211,318	23,806
Nutrition Services	-	48,000	48,000	-
Communicable Disease Control	7,466	698,360	689,165	9,195
Primary Care Services	17,561	331,269	316,441	14,828
Family Health and Nursing	-	28,769	3,007	25,762
Division of Environmental Health	339	639,437	627,489	11,948
Financial Management Services	1,048	222,650	194,398	28,252
Supply Section	499	142,550	137,123	5,427
Management Support Services	1,089	198,474	156,516	41,958
Facilities and Maintenance	27,614	2,139,731	2,011,164	128,567
Systems Group	120,193	460,328	367,922	92,406
Medically Indigent Program	381	106,675	89,496	17,179
Foster Care	8,331	1,952,220	1,930,312	21,908
Division of Senior Citizens	11,222	345,367	311,366	34,001
Adult Protective Services	13,166	408,742	382,507	26,235
	<u>35,935,400</u>	<u>8,835,852</u>	<u>8,072,717</u>	<u>763,135</u>
Department of Education:				
Guam Public School System	<u>189,078,506</u>	<u>189,459,626</u>	<u>199,082,835</u>	<u>(9,623,209)</u>
Guam Public Library System:				
Office of the Director	1,257,876	2,148	-	2,148
Hagatna-Dededo Library	252	252	-	252
	<u>190,336,634</u>	<u>189,462,026</u>	<u>199,082,835</u>	<u>(9,620,809)</u>
Department of Youth Affairs:				
Office of the Director	4,978,550	125,962	124,555	1,407
Office of the Director - Nursing and Medication	79,673	79,673	13,950	65,723
Division of Youth Development	-	897,175	886,904	10,271
Division of Youth Corrections	-	2,711,036	2,634,019	77,017
Division of Vocational Rehabilitation and Support Services	5,174	933,966	871,497	62,469
	<u>5,063,397</u>	<u>4,747,812</u>	<u>4,530,925</u>	<u>216,887</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Executive Branch, continued:				
Department of Mental Health and Substance Abuse:				
Office of the Director	15,121,135	9,168,174	7,511,895	1,656,279
Office of the Director - Permanent Injunction	12,606	12,606	362,120	(349,514)
Clinical Services Division	-	857,658	756,562	101,096
Child and Adolescent Services Division	-	770,803	734,562	36,241
Nursing Services Division	39,965	2,657,506	2,532,647	124,859
	<u>15,173,706</u>	<u>13,466,747</u>	<u>11,897,786</u>	<u>1,568,961</u>
Department of Labor:				
Office of the Director	1,063,320	141,047	132,680	8,367
Wage and Hour Division	1,936	192,538	189,953	2,585
Bureau of Labor Statistics	-	208,444	206,424	2,020
Fair Employment Practice Office	-	65,809	65,261	548
Worker's Compensation Commission	-	246,656	246,224	432
Fiscal and Support Office	802	101,035	101,594	(559)
	<u>1,066,058</u>	<u>955,529</u>	<u>942,136</u>	<u>13,393</u>
Department of Parks and Recreation:				
Office of the Director	3,285,234	1,096,319	1,096,938	(619)
Memorial Services	-	34,740	34,740	-
Community Programs	-	302,334	302,482	(148)
Pool and Beach Programs	-	339,553	339,553	-
Paseo Stadium	-	55,655	57,259	(1,604)
Parks Administration and Planning	-	92,206	74,103	18,103
Historic Preservation Division	-	265,915	234,378	31,537
Parks Maintenance	-	789,726	790,072	(346)
Territorial Park Protection	-	101,749	101,748	1
	<u>3,285,234</u>	<u>3,078,197</u>	<u>3,031,273</u>	<u>46,924</u>
Department of Integrated Services for Individuals with Disabilities:				
Office of the Director	1,238,436	508,468	466,659	41,809
Permanent Injunction	4,011	4,011	-	4,011
Fiscal Support	-	23,711	18,552	5,159
	<u>1,242,447</u>	<u>536,190</u>	<u>485,211</u>	<u>50,979</u>
Mayor's Council of Guam:				
Mayors' Council Consolidated Accounts	8,958,055	8,514,279	8,937,758	(423,479)
Department of Land Management:				
Office of the Director	577,118	551,382	323,070	228,312
Ancestral Land Trust Commission	103,957	97,364	96,635	729
	<u>681,075</u>	<u>648,746</u>	<u>419,705</u>	<u>229,041</u>
Chief Medical Examiner:				
Medical Examiner's Office	430,071	403,017	405,295	(2,278)

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Executive Branch, continued:				
Department of Chamorro Affairs:				
Office of the Director	1,001,468	588,985	552,062	36,923
Guam Public Library	10,485	1,186,578	1,153,898	32,680
Language and Culture Division	-	55,346	55,345	1
Research Publication and Training	-	137,036	79,752	57,284
Guam Museum	-	214,490	190,173	24,317
	<u>1,011,953</u>	<u>2,182,435</u>	<u>2,031,230</u>	<u>151,205</u>
Department of Military Affairs:				
Office of the Adjutant General	<u>702,054</u>	<u>177,100</u>	<u>144,381</u>	<u>32,719</u>
Guam Fire Department:				
Office of the Fire Chief	27,989,790	105,782	106,165	(383)
Administrative and Logistical Support	26,743	1,515,108	1,479,334	35,774
Emergency Medical Service/Rescue Operations Bureau	-	8,246,006	9,652,379	(1,406,373)
Fire Suppression Bureau	-	16,374,614	18,305,465	(1,930,851)
	<u>28,016,533</u>	<u>26,241,510</u>	<u>29,543,343</u>	<u>(3,301,833)</u>
Payments to Component Units:				
Guam Community College	14,006,669	14,006,669	13,166,268	840,401
Guam Educational Telecommunications Corporation	637,072	596,671	541,977	54,694
Guam Housing Corporation	-	-	243,058	(243,058)
Guam Visitors Bureau	3,000	3,000	-	3,000
Guam Memorial Hospital Authority	12,127,750	23,408,766	7,654,639	15,754,127
University of Guam	30,189,847	31,659,847	30,554,431	1,105,416
	<u>56,964,338</u>	<u>69,674,953</u>	<u>52,160,373</u>	<u>17,514,580</u>
Government of Guam Retirement Fund Appropriations:				
Medicare Reimbursement	1,140,965	1,298,849	1,298,849	-
Governor and Lieutenant Governor Pension Contributions	251,000	251,000	251,000	-
Judge and Justice Retirement Annuities	358,000	358,000	358,000	-
	<u>1,749,965</u>	<u>1,907,849</u>	<u>1,907,849</u>	<u>-</u>
Total Executive Branch	<u>466,316,255</u>	<u>440,037,329</u>	<u>434,794,827</u>	<u>5,242,502</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Expenditures by Department, continued:				
Miscellaneous Appropriations:				
Retiree Healthcare Premiums	16,922,668	16,922,668	16,922,668	-
Guam Council on the Arts and Humanities Agency	307,500	-	-	-
Guam Football Association	500,000	500,000	500,000	-
Guam Commission for Educator Certification	203,831	203,831	133,507	70,324
Total Miscellaneous Appropriations	17,933,999	17,626,499	17,556,175	70,324
Interest and other charges:				
Interest on tax refunds	-	-	1,096,019	(1,096,019)
Bond issuance costs	-	229,256	229,256	-
Other	-	-	3,755,695	(3,755,695)
Total Interest and other charges	-	229,256	5,080,970	(4,851,714)
Debt Service:				
Principal retirement	14,076,534	36,963,667	38,104,948	(1,141,281)
Interest and fiscal charges	42,679,732	61,187,067	55,685,777	5,501,290
	56,756,266	98,150,734	93,790,725	4,360,009
Total expenditures	541,006,520	556,043,818	551,222,697	4,821,121
Excess of revenues over expenditures	48,626,410	35,389,112	52,964,486	17,575,374
Other financing sources (uses):				
Proceeds from issuance of refunding bonds	-	22,640,000	22,640,000	-
Proceeds from refinancing short-term obligations	-	-	19,937,926	19,937,926
Premium on refunded bonds issued	-	2,957,923	2,957,923	-
	-	25,597,923	45,535,849	19,937,926
Transfers in from other funds:				
Accessible Parking Fund	-	-	515,188	515,188
Criminal Injuries Compensation Fund	-	-	555,031	555,031
DPW Building and Design Fund	-	-	660,572	660,572
GFD Capital Revolving Fund	-	-	900,000	900,000
Healthy Futures Fund	-	-	2,371,886	2,371,886
Pesticide Management Fund	-	-	204,893	204,893
Professional Engineers', Architects', and Surveyors' Fund	-	-	483,853	483,853
Recycling Revolving Fund	-	-	770,455	770,455
Solid Waste Operations Fund	11,980,494	11,980,494	4,497,097	(7,483,397)
Territorial Education Facilities Fund	10,674,249	10,674,249	8,860,102	(1,814,147)
	22,654,743	22,654,743	19,819,077	(2,835,666)

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Schedule of Revenues, Expenditures by Department, and Changes in Fund Balance - Budget and Actual - General Fund, Continued Year Ended September 30, 2013

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		
Other financing sources (uses), continued:				
Transfers out to other funds:				
Better Public Service Fund	507,091	599,812	565,359	34,453
Customs, Agriculture and Quarantine Inspection Services Fund	-	-	1,691,449	(1,691,449)
DMHSA Receiver Fund	3,000,000	3,000,000	3,007,272	(7,272)
Federal Grants Assistance Fund	2,604,603	41,014,888	38,200,438	2,814,450
Government Claims Fund	100,000	100,000	100,000	-
GMHA Pharmaceuticals Fund	9,150,054	9,150,054	9,150,038	16
Guam Legislature Fund	7,825,372	7,422,365	7,422,365	-
Manpower Development Fund	-	-	564,588	(564,588)
Mental Health and Substance Abuse Fund	-	26,391	-	26,391
MIP Payment Revolving Fund	19,598,585	10,908,129	10,077,895	830,234
Office of Public Accountability	1,302,388	1,235,315	1,151,260	84,055
Off-island Treatment Fund	1,100,000	1,606,919	1,646,310	(39,391)
Public Defender Service Corporation Fund	3,796,755	3,601,222	3,601,222	-
Supplemental Annuity Benefits Fund	11,696,303	9,970,419	9,848,084	122,335
Unified Courts of Guam Fund	24,838,596	23,564,558	23,564,558	-
Worker's Compensation Fund	798,593	747,949	634,947	113,002
	<u>86,318,340</u>	<u>112,948,021</u>	<u>111,225,785</u>	<u>1,722,236</u>
Total other financing sources (uses), net	<u>(63,663,597)</u>	<u>(64,695,355)</u>	<u>(45,870,859)</u>	<u>(1,113,430)</u>
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes	<u>26,371,187</u>	<u>26,371,187</u>	<u>3,913,248</u>	<u>(22,457,939)</u>
Net change in fund balance	<u>\$ 11,334,000</u>	<u>\$ (2,935,056)</u>	<u>\$ 11,006,875</u>	<u>\$ 13,941,931</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Nonmajor Governmental Funds September 30, 2013

The Nonmajor Governmental Funds statements include the combining balance sheet and combining statement of revenues, expenditures and changes in fund balance for nonmajor special revenue funds, nonmajor capital projects funds, and nonmajor debt service funds that comprise the other governmental funds column in the basic financial statements. The combining nonmajor special revenue funds statements, the combining nonmajor capital projects funds statements, and the combining nonmajor debt service funds are detailed behind the special revenue funds, capital project funds and debt service funds dividers.

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Nonmajor Governmental Funds Combining Balance Sheet September 30, 2013

<u>ASSETS</u>	Other Special Revenue	Other Capital Project	Other Debt Service	Total
Cash and cash equivalents	\$ 33,254,497	\$ 1,276,848	\$ -	\$ 34,531,345
Investments	13,922,201	-	-	13,922,201
Receivables, net:				
Taxes	5,037,836	-	-	5,037,836
Other	11,240,173	-	-	11,240,173
Due from other funds	14,098,585	2,044,242	-	16,142,827
Due from component units	1,867,990	-	-	1,867,990
Prepayments	705,660	-	-	705,660
Deposits and other assets	-	2,579	-	2,579
Restricted assets:				
Cash and cash equivalents	1,899,430	31,603,042	12,174,478	45,676,950
Investments	300,000	15,978,390	-	16,278,390
Total assets	<u>\$ 82,326,372</u>	<u>\$ 50,905,101</u>	<u>\$ 12,174,478</u>	<u>\$ 145,405,951</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 2,100,611	\$ 2,202,373	\$ 1,600	\$ 4,304,584
Accrued payroll and other	776,979	-	-	776,979
Due to other funds	13,946,137	2,138,293	-	16,084,430
Due to component units	276,477	-	-	276,477
Unearned revenue	955,848	-	-	955,848
Deposits and other liabilities	1,078,829	-	-	1,078,829
Total liabilities	<u>19,134,881</u>	<u>4,340,666</u>	<u>1,600</u>	<u>23,477,147</u>
Fund balances:				
Restricted	15,876,616	44,522,091	12,172,878	72,571,585
Committed	46,172,209	2,042,344	-	48,214,553
Assigned	3,237,065	-	-	3,237,065
Unassigned:				
Special revenue funds	(2,094,399)	-	-	(2,094,399)
Total fund balances	<u>63,191,491</u>	<u>46,564,435</u>	<u>12,172,878</u>	<u>121,928,804</u>
Total liabilities and fund balances	<u>\$ 82,326,372</u>	<u>\$ 50,905,101</u>	<u>\$ 12,174,478</u>	<u>\$ 145,405,951</u>

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures by Function, and Changes in Fund Balances Year Ended September 30, 2013

	Other Special Revenue	Other Capital Project	Other Debt Service	Total
Revenues:				
Taxes:				
Property	\$ 21,263,267	\$ -	\$ -	\$ 21,263,267
Hotel	29,331,058	-	-	29,331,058
Liquid fuel	9,825,967	-	-	9,825,967
Tobacco	19,615,319	-	-	19,615,319
Alcoholic beverages	780,319	-	-	780,319
Licenses and permits	46,155,386	-	-	46,155,386
Charges for services	19,542,818	-	-	19,542,818
Interest and investment earnings	55,101	1,760,607	195	1,815,903
Intergovernmental	1,378,085	-	-	1,378,085
Other	11,210,073	-	-	11,210,073
Total revenues	159,157,393	1,760,607	195	160,918,195
Expenditures by Function:				
Current:				
General government	16,257,472	-	-	16,257,472
Protection of life and property	14,512,421	-	-	14,512,421
Public health	11,801,897	-	-	11,801,897
Community services	208,223	-	-	208,223
Recreation	704,171	-	-	704,171
Individual and collective rights	2,582,444	1,760,742	-	4,343,186
Transportation	6,574,547	-	-	6,574,547
Public education	1,589,086	-	-	1,589,086
Environmental protection	12,142,490	-	-	12,142,490
Economic development	102,939	-	-	102,939
Payments to:				
GovGuam Retirement Fund	8,432,738	-	-	8,432,738
Guam Community College	2,721,104	-	-	2,721,104
Guam Memorial Hospital Authority	3,206,732	-	-	3,206,732
Guam Preservation Trust	1,697,000	-	-	1,697,000
Guam Regional Transit Authority	3,270,945	-	-	3,270,945
Guam Visitors Bureau	16,209,494	-	-	16,209,494
University of Guam	1,854,624	-	-	1,854,624
Capital projects	-	6,960,836	-	6,960,836
Debt service:				
Principal retirement	-	531,893	1,740,000	2,271,893
Interest and fiscal charges	-	461,111	5,276,415	5,737,526
Total expenditures	103,868,327	9,714,582	7,016,415	120,599,324
Excess (deficiency) of revenues over (under) expenditures	55,289,066	(7,953,975)	(7,016,220)	40,318,871
Other financing sources (uses):				
Transfers in from other funds	5,583,556	-	7,877,067	13,460,623
Transfers out to other funds	(42,551,755)	-	(1,925)	(42,553,680)
Total other financing sources (uses), net	(36,968,199)	-	7,875,142	(29,093,057)
Net change in fund balances	18,320,867	(7,953,975)	858,922	11,225,814
Fund balances at beginning of year	44,870,624	54,518,410	11,313,956	110,702,990
Fund balances at end of year	\$ 63,191,491	\$ 46,564,435	\$ 12,172,878	\$ 121,928,804

See Accompanying Independent Auditors' Report.

GOVERNMENT OF GUAM

Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures by Object, and Changes in Fund Balances Year Ended September 30, 2013

	Other Special Revenue	Other Capital Project	Other Debt Service	Total
Revenues:				
Taxes:				
Property	\$ 21,263,267	\$ -	\$ -	\$ 21,263,267
Hotel	29,331,058	-	-	29,331,058
Liquid fuel	9,825,967	-	-	9,825,967
Tobacco	19,615,319	-	-	19,615,319
Alcoholic beverages	780,319	-	-	780,319
Licenses and permits	46,155,386	-	-	46,155,386
Charges for services	19,542,818	-	-	19,542,818
Interest and investment earnings	55,101	1,760,607	195	1,815,903
Intergovernmental	1,378,085	-	-	1,378,085
Other	11,210,073	-	-	11,210,073
Total revenues	159,157,393	1,760,607	195	160,918,195
Expenditures by Object:				
Salaries and wages - regular	21,332,795	-	-	21,332,795
Salaries and wages - overtime	490,988	-	-	490,988
Salaries and wages - fringe benefits	8,058,967	-	-	8,058,967
Health benefits	-	-	-	-
Travel	256,810	-	-	256,810
Contractual services	17,685,552	2,325,506	-	20,011,058
Building rent	3,631,939	372,600	-	4,004,539
Supplies	3,867,283	-	-	3,867,283
Equipment	359,247	5,920	-	365,167
Utilities - power and water	9,125,772	539,187	-	9,664,959
Communications	222,778	-	-	222,778
Capital outlays	1,027,249	5,016,573	-	6,043,822
Grants and subsidies	34,419,145	-	-	34,419,145
Principal retirement	-	531,893	1,740,000	2,271,893
Interest and fiscal charges	-	461,111	5,276,415	5,737,526
Other	3,389,802	461,792	-	3,851,594
Total expenditures	103,868,327	9,714,582	7,016,415	120,599,324
Excess (deficiency) of revenues over (under) expenditures	55,289,066	(7,953,975)	(7,016,220)	40,318,871
Other financing sources (uses):				
Transfers in from other funds	5,583,556	-	7,877,067	13,460,623
Transfers out to other funds	(42,551,755)	-	(1,925)	(42,553,680)
Total other financing sources (uses), net	(36,968,199)	-	7,875,142	(29,093,057)
Net change in fund balances	18,320,867	(7,953,975)	858,922	11,225,814
Fund balances at beginning of year	44,870,624	54,518,410	11,313,956	110,702,990
Fund balances at end of year	\$ 63,191,491	\$ 46,564,435	\$ 12,172,878	\$ 121,928,804

See Accompanying Independent Auditors' Report.